

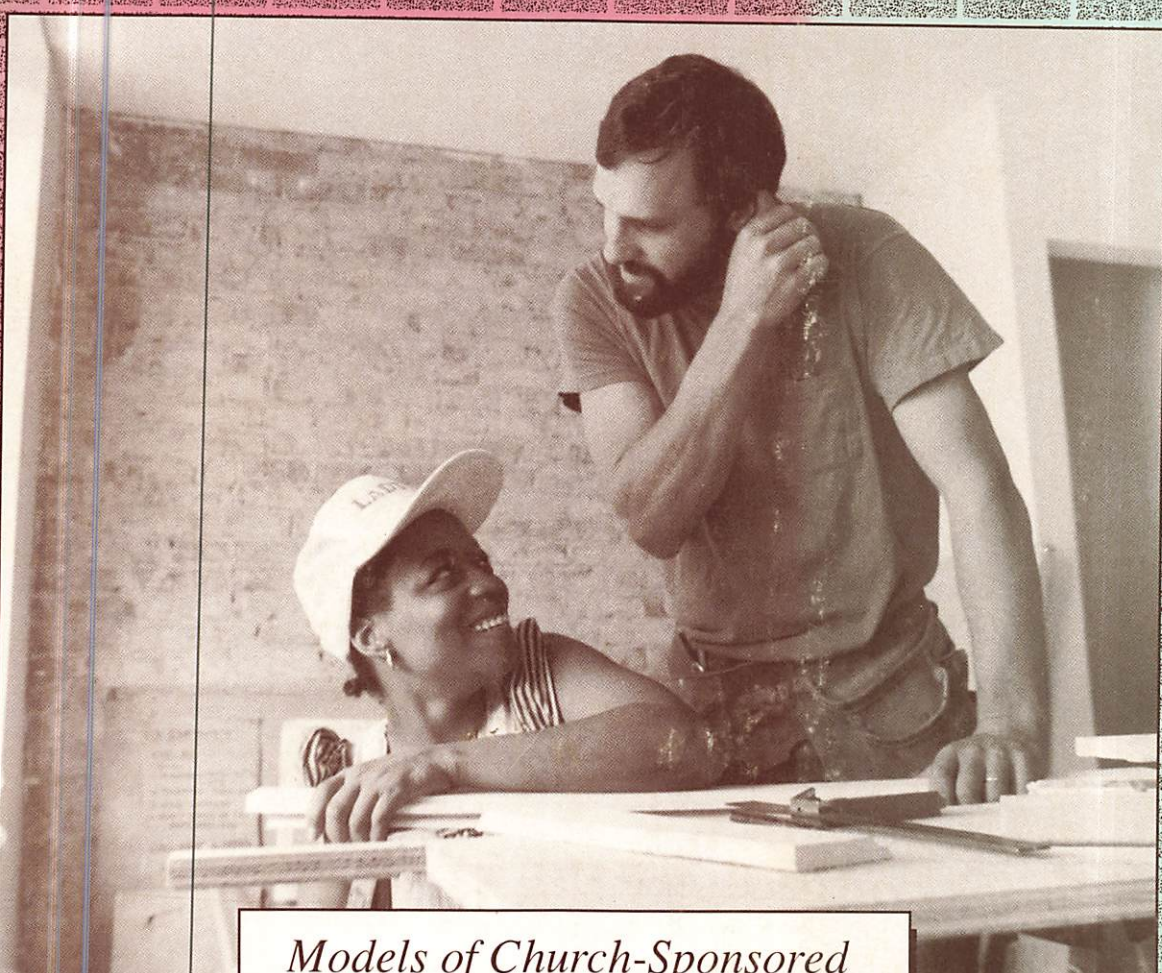
School of Theology at Claremont



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BUILDING ON FAITH



*Models of Church-Sponsored
Affordable Housing Programs
in the Washington, D.C. Area*

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Rev. Dr. Calvin S. Morris • Howard University School of Divinity

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James R. Smith, Sr. • *President*, Southern Columbia Heights Tenants Union

OF COUNSEL:

Lynn E. Cunningham, Esq. • *Adjunct Clergy*, St. Margaret's Episcopal Church

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BUILDING ON FAITH

*Models of Church-Sponsored
Affordable Housing Programs
in the Washington, D.C. Area*



A RESOURCE BOOK
FOR THE FAITH COMMUNITY
HOUSING MINISTRY ENGAGED IN
TRANSITIONAL AND PERMANENT
HOUSING ACTIVITY

— — — — —

Produced by
THE CHURCHES CONFERENCE ON SHELTER AND HOUSING
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F O R E W O R D

.....

Building On Faith is a handbook for congregations that are searching for practical ways to alleviate the suffering of the poor due to the lack of safe, decent, and affordable housing. Not since the Great Depression has homelessness gripped our nation like it is as we enter the 1990s. The causes of this epidemic are many, but two stand out above the rest. The first is the gentrification of our inner cities in ways that take housing from poor people without any means for replacing it. The second is that federal housing funds have been cut by more than 70 per cent while graft and corruption at HUD have chipped away at the remaining funds.

The natural response of the church has been to act with compassion for all of God's children. In the face of this crisis, soup kitchens and shelters sprang up everywhere with church support. Now that we have had a few years to deal with the problem, we recognize that our immediate response has not been enough. The ranks of the homeless continue to grow. We must now turn, therefore, to long-term solutions for affordable housing while we continue to respond to the immediate need.

The spiritual implications of the social, political, and economic factors that have led to homelessness must be addressed by the church if we are to reach a permanent solution to this problem. This handbook does not offer this kind

of exhaustive theological analysis. It does, however, offer models of some very practical programs, developed by local congregations, that provide permanent and transitional housing. We offer these in the hope that other congregations will be challenged and inspired to offer their time, talents, and resources to provide affordable housing for the poor.

Relationships with poor people are converting. My experience is that middle class churches that open their hearts to the poor benefit at a deep spiritual level as much as the poor benefit from the bricks and mortar. When our compassion for a specific individual or family causes us to ask why they have become homeless, we can begin to change the system that oppresses them while we work for their individual empowerment. Charity must always be coupled with justice if we want permanent solutions.

We offer this handbook to you as a step on a spiritual journey. The congregations that developed the housing ministries profiled on these pages have taken a leap of faith. We encourage you to join them on this journey. The rewards are great and life-changing.

REV. KEARY C. KINCANNON
Executive Director
CHURCHES CONFERENCE
ON SHELTER AND HOUSING

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California

THE SHALOM VISION FOR HOUSING

.....

Shelter has been, is now, and ever shall be a fundamental human need. Our biblical Bedouin foremother and forefather, Sarah and Abraham, carried their tents as they nomadically moved from oasis to oasis. Not to be equipped with instant protection would mean death in the desert. And to encounter and welcome the stranger, offering refuge and thus survival, was the highest moral good. And it still is.

Our cities today are choked with a new Bedouin type—the urban nomads. It is not by choice that they are nomads. Often sick and always impoverished, they wander from place to place seeking the resources for survival. Our urban asphalt deserts are no less forbidding than the biblical deserts. Tragically, more and more people—families, children, the elderly—become homeless even as suburban land is developed for luxurious and ever more spacious homes for the rich few.

In contrast to the housing injustice in our city, the biblical sources uphold a vision of Shalom, a vision of “every creature in community with every other, living in harmony and security toward the joy and well-being of every other creature” (Walter Brueggemann, *Living Toward A Vision*). The images of the city of God that is a refuge and a shelter, a city of Shalom whose gates are never shut, are all-pervasive in scripture. Indeed, since the time of the enslaved Hebrews in Egypt, the Holy One of Israel has been rescuing and bringing home the lost.

God’s homeless son Jesus went even to the “far country” of the Gerasenes, to the shelter tombs in which the “demoniacs” and lepers were forced to live in exile, downwind from established society. He dealt with their suffering and purged the forces that excluded them. He returned them to the land of the living.

We must do likewise. Our worship hospitality meal needs to be a reflection of God’s Shalom, an all-inclusive communion feast with priority for those who have no place in the world. Our church steeples need to be symbols of welcome to the stranger (“Come unto me...”). Each church or congregation ought to establish, at a minimum, one house for Elijah or Jesus, who may knock at any hour in need of refuge. Land for parking cars should be transubstantiated into lots for affordable housing. Congregations should seriously integrate with homeless families in the example of the Pentecostal sharing of resources (Acts 2, 44-45), that

all may know the dignity of a home in this rich and abundantly endowed nation.

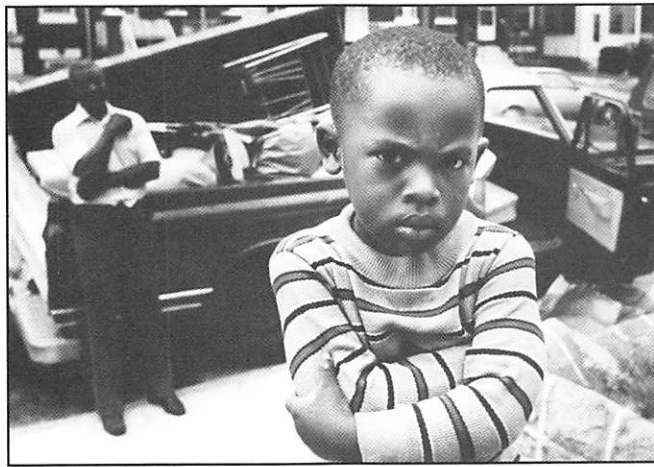
This earthly refuge offers sufficient resources for all our needs, but not for the selfish greed that spawns the homelessness whose name is now “legion.” The Shalom vision compels us to share land and resources because,

as the Rev. Martin Luther King, Jr. pointed out:

All life is interrelated. We are caught in an inescapable network of mutuality, tied into a single garment of destiny. Whatever affects one directly, affects all indirectly. We are made to live together because of the interrelated structure of reality.

All are destined to live together. But we, as the people of God, are heirs to the Shalom vision. We are called to offer hospitality, to house our fellow sojourners, to fill our urban desert with permanent oases of brick and mortar.

REV. JOHN J. STEINBRUCK
Pastor
Luther Place Memorial Church



USER'S GUIDE

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■ During a recent Churches Conference on Shelter and Housing survey of faith congregations throughout the Washington, D.C., metropolitan area, respondents repeatedly expressed a desire for information about church-sponsored models of affordable housing. Clergy and lay leaders alike wanted to know what kinds of transitional and affordable permanent housing programs exist locally, how they operate, how well they work, and how they can be adapted to new situations.

The Churches Conference has tried to respond to that need with this handbook. It has been written and organized as a practically useful guide to the congregational mission group, outreach committee, or other center of concern for the plight of the homeless and the problem of low-income housing. With this document, we hope to help the growing number of metro-area congregations that have adopted such a focus by providing the "best practices" information that will guide their spiritual impulses into effective action.

Building On Faith has been designed to be particularly helpful to the congregation just beginning a housing ministry. It opens with a theological reflection on the faith community's involvement in the problem of homelessness, prepared by the Reverend John Steinbruck, Pastor of Luther Place Church. The handbook then presents ten models of congregational or denominational involvement with affordable housing, ranging from one congregation spon-

soring a transitional house to an interfaith coalition providing permanent housing. Following these case studies, the handbook presents a directory of additional congregation-based housing programs found in Washington, D.C., and its Maryland and Virginia suburbs. These programs are briefly described and organized by program type. Next are several profiles of three types of resources—nonprofit developer, local government agency, denomination broker—that have proven useful to congregational housing ministries. Finally, there is a glossary of terms and government programs that will be helpful in understanding the local affordable housing field.

This handbook has been made possible by the support of the sponsors listed on the back cover. Without their enthusiasm, funding, and suggestions, this enterprise would not have been possible. These sponsors deserve the gratitude of all of us who are attempting to translate our faith and motivation into tangible housing achievements.

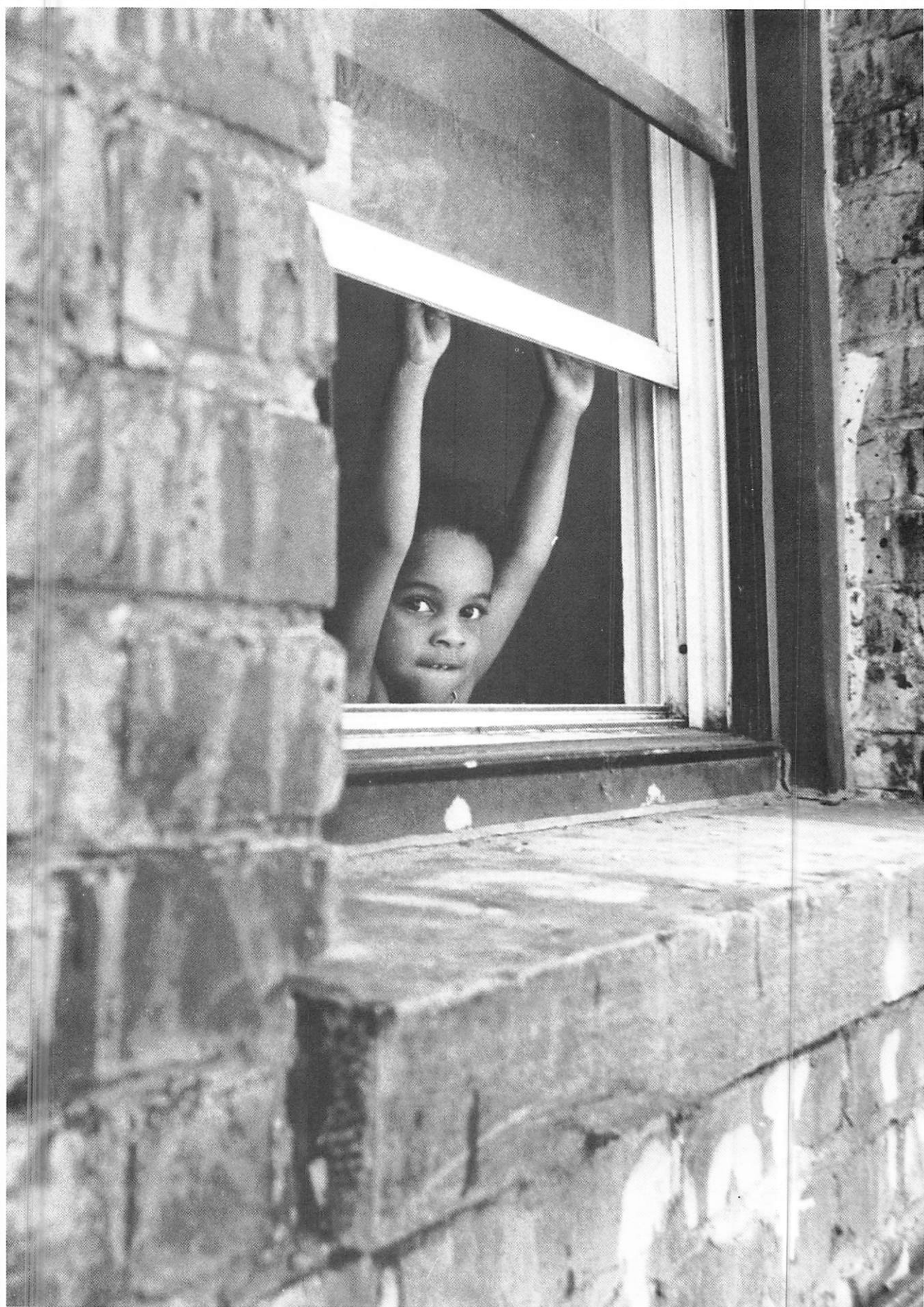
The affordable housing challenge in our community requires the cooperative efforts of people of good will in many of its institutions. This handbook is dedicated to all such people who use it to come together in productive housing enterprises.

ROGER COATES
Project Director

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CASE STUDIES

Elizabeth House

WASHINGTON, D.C.

.....

Transitional Housing for Mothers and Children

THE MODEL AND ITS SETTING

HOMELESS HISPANIC MOTHERS HAVE SPECIAL NEEDS

Pregnant refugee women who are homeless need special services beyond their immediate need for housing—services such as pre- and postnatal medical care, housing where infants are welcome, and care givers who understand their language and culture. One other program in Washington specifically serves homeless Hispanic women, but many shelters do not accept pregnant women or women with small children.

A SPECIAL PROGRAM MEETS THOSE NEEDS

The Church of the Pilgrims' Elizabeth House fills a hole in society's safety net to meet the needs of homeless Hispanic mothers. Elizabeth House provides housing, food, and access to services, thereby removing the anxiety of day-to-day survival, but also offers friendship and a community where the women feel they belong.

Elizabeth House shelters three women at a time, each for a period of three to six months at no charge. Residents come to the house usually during the last one or two months of their pregnancy and leave when their infants are three or four months old. During their stay, the women receive medical care at Mary's Center for Maternal and Child Health Care and social services at the Church of the Saviour's Family Place. Additional support comes from the house manager at Elizabeth House and volunteers from the church community. At the end of their stay, the women move into their own living quarters.



PROGRAM DEVELOPMENT

A REFUGEE RESETTLEMENT PROGRAM FOCUSES ON HISPANIC WOMEN

Elizabeth House grew out of an interest in providing housing in Washington

and a history of resettling refugees. In the initial program, begun in 1985, the Church of the Pilgrims housed refugee families in a basement apartment belonging to one of the church's members.

Families could stay in the apartment for six months, where they paid \$200 rent plus \$50 for utilities per month. The church helped pay for the utilities, provided support services, and gave the family furniture that they could take with them when they left.

About two years after the program began, the couple who owned the apartment moved to new quarters and the entire house was leased to the church. At that point the church decided to concentrate on housing Hispanic women before and after childbirth, responding to a need expressed by a number of agencies. Staff members from Mary House, Columbia Road Health Services, and Family Place met with church members to set up the new program. The basement apartment continued to be used for refugee families, but the upstairs became home for three pregnant women and a house manager. Although upstairs residents paid no rent, they signed a contract that outlined their responsibilities and personal goals. They were expected to go to Family Place regularly for meetings with case managers, to attend classes, and to keep their appointments at Columbia Road Health Services. When Mary's Center opened, the women received medical care there.

ESTABLISHING A HOUSE STEERING COMMITTEE

With the opening of the new program, the Mission Council of the church

formed a steering committee for Elizabeth House. It was composed of elders and members of the church, a member of Florida Avenue Friends Meeting, staff from participating agencies, and the house manager. The steering committee was responsible to the Mission Council and devoted exclusively to the Elizabeth House ministry. As a separate working group, it could include people who were not members of the church.

MOVING TO MARY HOUSE

In the spring of 1989, the couple who had leased their house to the church needed it for other purposes. Providentially, Mary House, a transitional housing program for Hispanic mothers, was expanding by purchasing a former convent in the Catholic University area. It offered Elizabeth House space at the new site in exchange for a monthly donation of money and volunteer time to support the Mary House program. Further, the house manager for Elizabeth House would serve as the on-site staff person for the entire building where nine homeless mothers and their children stayed.

The residents of Elizabeth House moved to a renovated part of the new location in the summer of 1989. More remodeling work was begun to prepare the rest of the building for Mary House residents by the end of the year.

PROGRAM ORGANIZATION AND OPERATION

WORKING TOWARD SELF-SUFFICIENCY

Women who are homeless or living in untenable situations generally come to Elizabeth House when they are seven or eight months pregnant. All residents

are referred by either Family Place or Mary's Center and must agree to accept regular help from these agencies. Elizabeth House does not accept minors or women fleeing violent situations, although many of the women have suf-

ferred abuse. Elizabeth House has no income requirement; generally women have lost their jobs due to their physical condition and have neither income nor savings.

While at Elizabeth House, they work on acquiring self-sufficiency skills. Residents share cooking and cleaning duties and they help one another with child care. When they are able, they spend time at Family Place. Some women work and save their earnings for housing costs when they leave.

Women leaving Elizabeth House move into live-in housekeeping situations or other transitional housing facilities. By the time they leave, nearly all of the residents are employed.

GIVING SUPPORT IN A BILINGUAL CONTEXT

The bilingual house manager is knowledgeable about social services and child care, and does advocacy work when needed. She supervises the house and schedules the cooking and cleaning tasks. Most important, she cultivates a warm and caring environment in which mothers and babies can be nurtured.

SISTER AGENCIES ROUND OUT THE SERVICES

The cooperating agencies are a crucial part of the Elizabeth House program. For a sliding scale fee, Mary's Center provides perinatal care. Depending on their physical condition, residents go to Family Place as often as daily where they attend classes on budgeting and employment skills, participate in support groups, eat lunch, and receive the personal attention of case workers.

Besides sharing its space, Mary House offers Elizabeth House residents a number of benefits. Because the participants of both programs are Hispanic,

they can interact freely. This gives the new mothers exposure to mentors who are more practiced in parenting and often more self-reliant. Child care arrangements can be made between the residents and, when openings are available, Elizabeth House residents may move into Mary House apartments at the end of their stays.

TWO SUBCOMMITTEES DO SPECIALIZED WORK

The 13-member steering committee meets once a month over dinner. The entire committee makes decisions of general concern, but much of the work of administering Elizabeth House is done through two sub-committees. The program sub-committee concentrates on the budget, fund-raising, the newsletter, public relations, property, outreach, and volunteer coordination. The case management sub-committee reviews referrals, selects residents, oversees and coordinates case management, and supports the work of the house manager.

VOLUNTEERS BECOME FRIENDS

Volunteers do house maintenance, collect furnishings and clothing, fulfill Elizabeth House's commitment to Mary House, take residents on outings, visit with residents, and substitute for the house manager. Sometimes volunteers are needed to accompany women to appointments. A volunteer is always on call to drive residents to the hospital when babies are born. Special volun-



CASE STUDY • SINGLE CONGREGATION, TRANSITIONAL HOUSING

teers, called “first friends,” are being recruited to get to know the residents on a one-to-one basis and to keep in touch with residents once they leave Elizabeth House.

Future volunteer plans include invit-

ing a group of mothers from a suburban church on one Saturday each month to participate in activities with the women. Once Mary House is fully operational, English classes and other groups will form.

PROGRAM RESOURCES

PEOPLE

Elizabeth House relies on Family Place, Mary’s Center, and Mary House for the delivery of services. The house manager, Elizabeth House’s only paid



staff person, is supported in her work by the Steering Committee and the help of volunteers. Florida Avenue Friends Meeting has a member on the Steering Com-

mittee and contributes both volunteers and money to Elizabeth House.

FUNDING

Funding comes from a variety of sources: funds allocated by the Church of the Pilgrims’ Mission Council, gifts from individuals and congregations, and private foundation grants. The congregation of the Church of the Pilgrims is very supportive. In Christmas of 1988, the program received over \$2,000 in “alternative giving,” that is, donations made in honor of friends. A large sum of money was given in memory of a church member who had been instrumental in getting Elizabeth House started. Elizabeth House raises an annual budget of \$17,000 to cover the donation to Mary House, the house manager’s stipend, and food and other household expenses.

PROGRAM IMPACT

SUCCESS FOR THE PARTICIPANTS

Since opening its doors, Elizabeth House has housed 11 women and as many infants. Three families were housed in the apartment prior to 1987 and four between the opening of Elizabeth House and the move to the current address. All the residents have moved on to jobs and more independent living situations.

BENEFITS FOR THE CONGREGATION

The Church of the Pilgrims congregation has given generously of time, labor, and money. But they say the receiving is greater than the giving. This ministry has encouraged the sharing of life journeys, has built congregational unity and produced Christian growth. It has also raised awareness of the difficulties of Hispanic women in our society, particularly of those who are refugees from Central America. From the standpoint of the Mission Council, it is the kind of ministry that the church thinks it should be about.

PROGRAM REPLICATION***THE STRENGTH OF A SPECIFIC FOCUS***

The Elizabeth House model has a number of strengths to recommend it. It concentrates on helping a very specific group of people within the homeless population and, consequently, can tailor its services to effectively meet their needs. Also, it relies heavily on outside agencies to keep its own costs down. Finally, by providing many opportunities for involving church members, it becomes an important part of the church's life and mission.

A church that wishes to start a similar program can begin by talking to the staffs of social service agencies in the Washington area to identify a group of homeless people with specific needs. The same agencies may be willing to offer their support to the new program, just as Family Place agreed to help after it was suggested that Elizabeth House work with pregnant Hispanic women.

VOLUNTEER NEEDS

As with most models, Elizabeth House depends on the enthusiasm of volunteers to raise money, maintain the house, and do support work. Time commitments vary widely. The steering committee members meet once a month, but many put in much more time at Elizabeth House. Other supporting volunteers can decide how much time they want to devote to the program.

FUNDING NEEDS

As long as volunteers run the program with the free assistance of social service agencies, costs can be kept very low. The house manager is the only paid staff position. Additional costs are for space, utilities, food, and supplies. Eliza-

beth House economizes by sharing space with another program. If this were not an option, the annual budget would be closer to \$25,000-\$30,000, depending on a number of factors.

FOR MORE INFORMATION CONTACT:

Pat Goeldner
Church of the Pilgrims
2201 P Street, N.W.
Washington, D.C. 20037
(202) 387-6612

Community of Hope

WASHINGTON, D.C.

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Transitional Housing Within a Community-Based Ministry

THE MODEL AND ITS SETTING

NEEDS FOR BOTH FAMILY SUPPORT AND PERSONAL INVOLVEMENT

As efforts to provide affordable housing for low-income, predominantly female-headed families in the Wash-

ington, D.C. area have increased, there is a growing awareness that such families need more than adequate shelter to achieve real security and economic independence in their lives. Income support and social services are usually available in some measure, but frequently they are not

tailored to the needs of specific individuals and families.

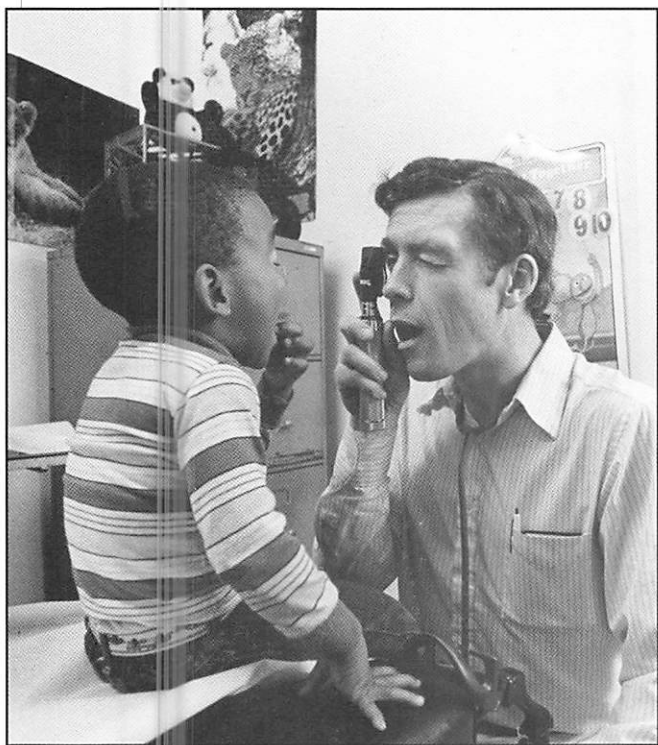
At the same time, members of many churches and faith congregations are joining their quest for spiritual growth with the expression of their faith in tangible "good works." This witnessing

can be demonstrated in group projects such as property rehabilitation, but it may be shown even more directly through an ongoing ministry to people in need. A congregational mission group can provide an effective framework for organizing resources and for using them to serve the emotional and spiritual needs, as well as the shelter requirements, of needy families.

JOINED IN A NEIGHBORHOOD MINISTRY

The Community of Hope (CofH), the multi-service transitional housing group in Columbia Heights, a Northwest Washington, D.C. neighborhood, presents an example of one such program. The program is the result of one mission group's steady journey from a strong faith commitment and a desire to serve through a series of varied community service opportunities to its current status as a multi-service community-based corporation.

Initially begun in 1973 as a small team of worshipers with the First Church of the Nazarene of Washington, D.C., CofH has evolved into one of the metropolitan area's best-known programs for helping families move from dependency to self-reliance. The organization currently offers support in health serv-



ices, job training, educational enrichment, counseling, and legal advice to neighborhood residents and to families housed in its 14-unit apartment building for the transition from shelters to permanent housing.

Although CofH leaders have never viewed their holistic service activities as a housing program per se, CofH currently serves over 50 families a year

with these transitional housing services. CofH records indicate that about 90 percent of these clients do not return to a homeless condition. By offering responsive services of high quality to these families in an atmosphere of love and compassion, CofH is effectively giving hope to many for whom hopelessness has become the prevailing response.

PROGRAM DEVELOPMENT

COMBINING SPIRITUAL STUDY WITH REHABILITATION WORK

What is now the Community of Hope began in 1973 as 8 volunteers, desiring to integrate spiritual growth with practical demonstration, combined weekly religious study sessions with apartment rehabilitation in Adams-Morgan. After a year of this work-study activity, an opportunity to renovate and manage a badly deteriorated 48-unit building in Columbia Heights presented itself, and the mission group accepted the challenge. To embrace the building residents and neighbors in this setting, Pastor Tom Nees and the group established a new on-site worshiping community sponsored by the Church of the Nazarene. The new group named itself the Community of Hope to recognize the importance of their faith as they sought to meet their challenges.

Because the rehabilitation work on the building proved more than a match for the skills of the initial group, experienced residents and contractors were quickly involved in the work. At the same time, organizing members of the community saw that their own "real world" skills were of considerable value to the residents of the building. The first non-housing service offered was a community-based health service, staffed

by a clinical nurse and a part-time volunteer doctor and opened in 1976.

BUILDING A HOME WITH VOLUNTEERS

As rehab of the 48-unit building entered high gear and CofH prepared to turn over management to the tenants upon completion, an adjacent building on Belmont Street became available to the group. Although it was in terrible shape, this building—CofH's current home—was centrally located to the growing community and potentially adequate for the health clinic and for a place to worship. A group of Northwest Nazarene College students finished some initial rehab work at their own expense in six weeks, celebrating the first worship service in the building before returning to college in Idaho.

These volunteers helped establish a pattern in the organization's life. A host of such college groups and motivated individuals have followed them over the years, bringing their idealism and energy to CofH and independently supporting themselves during their stay. For the first six or so years of the organization's life, the pastor and a maintenance worker were the only paid CofH employees.

ORGANIZING FOR GROWTH

With the receipt in 1984 of a sizeable D.C. government contract to provide transitional housing for families leaving city shelters, the building at 1417 Belmont Street was made habitable and the scope of the program's services to its clientele began to increase. Within a few months, the health service extended its hours, a trained social worker joined the staff, a full-time program of children's education, recreation and Bible study was begun, and a lawyer specializing in domestic and housing law opened an office in the building. The program was beginning to become a full community ministry.

In order to provide an adequate management framework and financial base for the evolving program, CofH leaders decided about this time to incorporate a charitable tax-exempt corporation, to be called the Community of Hope Inc., to deliver the housing and social services of the program. Directors from business and community institutions were selected to join those from the church and the neighborhood in order to reach beyond the existing community for funding and talent.

Grants and contributions began to flow into the new nonprofit almost immediately, as new audiences became aware of the efforts and accomplishments of the program and of its plans for the future. This new level of support in turn enabled the community to add paid staff and to extend the scope of the increasingly popular resident and neighborhood services.

EXPANDING THROUGH A NEW DEVELOPMENT CORPORATION

In recent years, CofH's achievements with its Belmont Street program have prompted public and private leaders to suggest an extension of its services into new settings. The Community of Hope Development Corporation was recently established to realize opportunities for growth, developing additional settings for the community to provide its mix of transitional services to families. One corporation, impressed with program accomplishments to date, has given a \$100,000 grant for the first of these developments. Triangle House is expected to provide about 30 more service-supported transitional housing units to CofH clients by the end of 1990.

PROGRAM ORGANIZATION AND OPERATION**DEVELOPING LEADERSHIP FROM WITHIN**

CofH operates as both an independent nonprofit corporation and a special mission of the Church of the Nazarene. Its 18 board members are drawn from the original founding group, members of the community, other neighborhood leaders, and city and corporate managers. Rev. Tom Nees continues to play a leading role in the organization, but the managers of individual service programs include a growing number of "gradu-

ates" of CofH services. These new managers and staff members include Rita Bright, a resident of the original Belmont building and one of the first CofH service recipients, who has just become the administrative director of the program.

The several CofH service programs are located in the organization's main building or—in the case of the young people's educational enrichment program—in a rented building just up the street. Most clients are brought into the

community either through transitional housing in the 14 apartments in the main building or through the health clinic on its first floor.

A FULL RANGE OF FAMILY SERVICES

The housing program, called Familyhope, provides a combination of apartment-style housing, health care, clinical and family counseling, on-site job training, and children's educational support to resident families. Services are provided for an average of 3 months, with follow-up contact maintained for one year to ensure stability. An escrow account is established by each resident family, with the funds returned to them to help defray initial expenses when they move to permanent housing. Health services cover a wide range of resident and community needs. Over 6,000 patient needs for acute care were met in 1988, and an extensive outreach program of training for community health advocates and health education for the

neighborhood is conducted as well. The ENTRE job training program concentrates on building confidence and skills, especially in office work, as trainees seek employment. The Educational Enrichment program works with children and teenagers in a year-round program of tutoring, teen counseling, and scholarship support, adding summer day camp for close to 100 youngsters. Attorneys provide services in an on-site but separately incorporated law firm; legal advice and representation on a wide range of legal issues are provided either free or on a sliding fee scale.

All the services and activities of the CofH are managed to move individuals and families from a state of dependency and hopelessness to one of self-reliance and hope. Many families that have benefited from this program stay active in the community, attending educational and job training sessions, using the health services, and participating in worship services.

PROGRAM RESOURCES

DIFFERENT KINDS OF COMMUNITY SUPPORT

CofH is still a relatively modest program financially, with a budget of about \$1.5 million after almost fifteen years of operation. This operating budget supports a full- and part-time staff of 36, however, and numerous volunteers augment this number. Volunteers still occasionally help with building projects, but such groups as the Coalition for 100 Black Women and the Concerned Black Men are more likely to tutor and to serve as role models in the training and educational programs.

The breadth of volunteer support is matched by the wide range of private donors to the program. Seventy founda-

tion and corporate donors gave to CofH in 1988, and over half of the organization's funds came from these institutions and from individual donors.

GIVING VALUE ON D.C. GOVERNMENT CONTRACTS

Government has also become a resource to the transitional program in recent years. Both the D.C. Department of Housing and Community Development and the Federal Emergency Management Agency (FEMA) provide contracts and grants for transitional housing, food, and related support. CofH leaders are proud of the level of service that they are able to provide for these funds, especially in comparison to the

“welfare hotels” and shelters; Tom Nees cites the cost to the city of his program’s housing and services of \$20 per night per family as a real bargain compared with one of as much as \$80 per family per night, without services, at a City-run shelter.

The other major source of program funding is the fees that the health clinic

and, to a lesser extent, other service programs charge clients who are able to pay. Service cost recovery through client fees, although important to the organization’s budget, is not expected to grow significantly or to shift the program’s emphasis on indigent families.

PROGRAM IMPACT

A RESPONSE RATHER THAN A STRATEGY

CofH leaders are reluctant to cite their service ministry as a model housing program. Their move into affordable housing was a response to a critical community need rather than a premeditated strategy. The comprehensive service program that has resulted is simply a reflection of the needs that can be met by a ministry that listens and is responsive.

The Familyhope program has played a central role in the network of on-site program services, however, because of the importance of

secure and decent shelter to renewing hope and lives. The number of families served is impressive—54 in 1988, and about 200 since 1984. The great major-

ity of those who move on to permanent homes make the transition successfully, returning only for the non-housing activities within the community.

The CofH program has made other impacts on individual lives as well. Sixteen women completed a four and one-half month office and computer training program in 1988 and moved into employment. Several dozen teenagers who have matured together and stayed with the educational enrichment program for several years are demonstrating the value, through their behavior and achievements, of the nurturing and friendship that the program has given them. Volunteers have experienced benefits as well, as hundreds of “givers” to the community have themselves been blessed by the experience of sharing their skills with others in need.

The CofH has compiled a solid record of achievement in helping families gain self-esteem and the ability to rely on their own resources. The recent private and city support for an expansion of the organization’s program into new settings offers CofH the opportunity to extend its service ministry to even more needy families in years ahead.



PROGRAM REPLICATION***GAINING RESOURCES BY PROVIDING
A SERVICE OPPORTUNITY***

For congregations interested in a ministry that engages the indigent and homeless in cooperative effort, CofH offers some instructive lessons. The extensive use of volunteers from both within and, increasingly, outside the church offers further evidence that a multitude of people of good will are available to faith-based enterprises that provide a venue for their "good works." As the scope of the program has grown, people with an ever-wider range of skills have become relevant to, and poten-

tially interested in, the community, and leaders and staff have utilized this energy and talent well.

In a similar vein, the combination of an effective program, a tax-exempt status, and conscientious fund-raising at CofH has shown that a large number of diverse institutions and individuals can be attracted into providing financial support for such a program. CofH's experience indicates that financial resources do exist in this metropolitan area for organizations that are providing needed public services conscientiously and well.

FOR MORE INFORMATION CONTACT:

Rita Bright, Administrative
Director
Community of Hope
1417 Belmont St. NW
Washington, D.C. 20009
(202) 232-9091

Trinity Arms

WASHINGTON, D.C.

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A Long-Term Transitional Family Housing Model

THE MODEL AND ITS SETTING

HOMELESS FAMILIES REQUIRE LONG-TERM CARE

The tragedy of homelessness is compounded when entire families find themselves without a home. Simultaneously to care for the family and to seek employment and housing is often too much for the homeless parent. In certain cases, troubled family dynamics are a factor in bringing about the plight of the family and these dynamics need to be effectively addressed before the family can become permanently self-sufficient. Such families need long-term support and encouragement, and they are unlikely to find it in most shelters.

A TRANSITIONAL HOUSING PROGRAM DESIGNED FOR FAMILIES

At First Trinity Lutheran Church's housing project, the Trinity Arms, the

goal is to move formerly homeless families into employment and housing within three years. During their stay at Trinity Arms, families must participate in activities designed to foster independence and stability. Community Family Life Services (CFLS), another of the church's ministries, provides tenants with social support.

Together with a caseworker, each family works out and implements its own family plan designed to give precisely the kind of support that the family needs. CFLS assists in placing workers, provides child advocacy and after-school tutoring, and fosters a supportive community ready to render assistance, direction, and friendship. The Trinity Landholding Corporation (TLC) manages Trinity Arms.

PROGRAM DEVELOPMENT

A DILAPIDATED APARTMENT BUILDING SPARKS INTEREST

In 1985 the tenants of a run-down building on First Trinity's block came to CFLS with a request for help in improving their landlord's responsiveness to complaints. All that year tenants moved out, a response to the deteriora-

tion of the building and the landlord's continued failure to address the problems. In 1986 the building was put up for sale and a committee of the congregation, worried that the building would no longer be used for low-income renters, formed to consider various uses for the building should church members buy it.

The congregation was already familiar with the plight of the homeless because the city's largest emergency shelter was only a few blocks away. So the committee settled on housing homeless families and using CFLS resources to aid them once the families became tenants.

FINANCING THE PROJECT WITH GOVERNMENT HELP

The committee began to search for funds and found a supportive contact in the D.C. Department of Housing and Community Development who told them of federal and local government funding sources for transitional housing. TLC furthered its cause as a recipient of these funds by showing that their envisioned program would save the city money in the long run.

Funding came from a number of local and federal grant and loan programs: the Land Acquisition for Housing Development Opportunities Program (LAHDO), Community Development Block Grants (CDBG), Rental Rehabilitation Loan Payments, and Section 8 vouchers for the future tenants. MANNA, a nonprofit developer, loaned Trinity Arms money that it received through a "linkage" agreement.

Rehabilitation began in June 1987 and lasted for one year. A general contractor did the major repair work, and volunteers—hundreds of people put in thousands of hours—did the rest.

THE TRINITY LANDHOLDING CORPORATION FORMS

First Trinity Lutheran Church purchased the property for \$575,000, but the church thought that a corporation should be formed to protect the church's assets if there should be a problem with the rental property. The property was

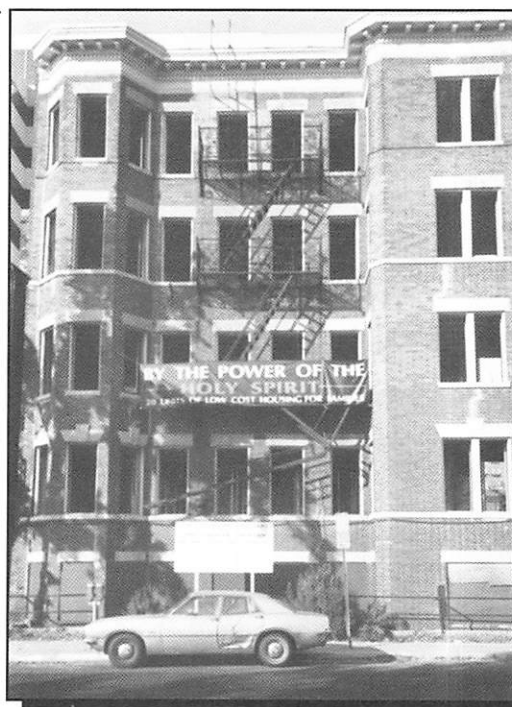
resold to the nine-member Trinity Landholding Corporation, which was established to buy, renovate, and maintain property for low-income housing and to ensure that the tenants would receive the necessary social support services.

FROM SHELTERS TO TRINITY ARMS

The tenant selection process took more than three months. Originally TLC got lists of families in shelters from the D.C. Office of Emergency Shelter, but many of the families on these lists either were not eligible for benefits under Section 8 or had psychosocial problems that precluded effective participation in the family plan process. Sending CFLS staff to shelters like the Capitol City Inn and the Pitts Hotel proved to be a more efficient means of finding tenant families.

As part of the selection process, potential tenants filled out an application and were interviewed twice. This process helped TLC to find the people they were most suited to serve and helped them to identify those less likely to benefit from the program, such as families unmotivated to work towards self-sufficiency and substance abusers who were not seeking treatment.

By the end of October 1988, Trinity Arms was occupied and on the way toward helping residents help themselves.



PROGRAM ORGANIZATION AND OPERATION**TENANTS AGREE TO WORK
TOWARD INDEPENDENCE**

Potential participant families are referred to Trinity Arms by the local Section 8 administration. In addition to having a genuine desire and ability to work toward independence, the family must be eligible to receive Section 8 assistance.

When they move into Trinity Arms, the heads of families sign both a Section 8 lease (families pay 30 percent of their gross income for rent and funds provided through Section 8 provide the balance) and a Transitional Housing Agreement, which stipulates what services the families will receive and what participation is expected of them. TLC offers the tenants case management, child advocacy and tutoring, educational and support groups for adults, job placement services, and social services referrals. The family agrees to utilize these services, following a family plan they themselves set up with the help of a case manager. The case managers emphasize that it is important that families have ownership of their family plans.

The family plan outlines both long- and short-range goals and takes into account the different needs of each family member. Every three months the family and case manager review and update the plan. Once a year the transitional housing staff takes a more in-depth look at progress the family has made toward long-range goals.

Families remain at Trinity Arms until they successfully complete the program (18 months to three years) and are able to find independent housing, or until they no longer fully participate in the program.

**SERVICES FOR CHILDREN AND
ADULTS**

Services for children are an important part of the Trinity Arms program. Volunteers and staff offer after-school tutoring and special outings for children. A child advocate on the CFLS staff works with the school systems to alleviate children's problems and to arrange for testing and special education.

Case managers counsel parents on problems with children and work on improving relationships within families. They soon will add parent training and support groups to enhance these efforts. The CFLS staff also helps families find responsible child care, advocating for mothers who are entitled to city child care benefits.

Work with adults frequently focuses on employment. Trinity Arms sponsors ongoing resume workshops, invites speakers from job training programs, and gives workshops on computer skills. Case managers work with residents to prepare them for job interviews. The Employment Transportation Assistance program—used mostly by homeless men, but soon to be made available to tenants of Trinity Arms—offers transportation to suburban areas where entry level jobs are more plentiful. Participating employers agree to accept a certain number of CFLS recruits and to help with a portion of the transportation costs. Several residents belong to a Homebuyers Club, a program which instructs potential low-income homebuyers about purchasing and owning homes. Once they have saved up enough money, they can purchase houses from MANNA or other low-cost housing providers.

The Befriend a Family Program matches volunteer families, most of which are from the church, with families living at Trinity Arms. The volunteers provide friendship and concern, social activities, and shopping trips to the suburbs. This program is slated for expansion in the coming year.

BOARD MEMBERS BRING SKILLS

The board, which has now grown to 11 members, meets every four to six

weeks. Most of its members are from First Trinity Lutheran, but it also incorporates people from other churches and a representative from MANNA. Business people working in real estate and investment, a lawyer, an accountant, and a pastor all bring special skills to the board. Board members who have grown up in the inner city contribute their knowledge of the urban environment and population.

PROGRAM RESOURCES

VOLUNTEER HELP AT ALL LEVELS

Volunteer help has been crucial to the Trinity Arms program on many fronts. Board members and building maintenance people see to the operation of the program. Tutors and family friends complement the work of the two case workers, the student intern, and the child advocate assigned to Trinity Arms from CFLS. During the beginning stages of the program, volunteers did renovation work and made legal and technical arrangements, saving the corporation thousands of dollars.

A GOVERNMENT FUNDING APPROACH THAT WORKS

Trinity Arms is unusual in that it is funded almost entirely through government programs. Under the LAHDO program, the city government bought Trinity Arms' land for \$582,500 and is leasing it back to the corporation at a favorable rate. A \$439,250 construction loan came from the Community Development Block Grant program. No interest is to accrue on the loan for 20 years, but the note is to mature in five years. From the HUD-funded Rental Rehabili-

tation Loan Program, TLC received a \$100,000 deferred payment loan at no interest. MANNA loaned TLC \$200,000 of linkage money (\$10,000 per unit) for construction with no interest for 15 years. CFLS received a \$540,000 McKinney Act grant, part of which goes to support Trinity Arms' social services.

Yearly operating expenses for Trinity Arms come to approximately \$185,000 and include staff salaries, building maintenance, debt repayment, utilities, and insurance. Rent brings in about \$135,000 annually and Trinity Arms' portion of the McKinney Act grants is \$42,000, leaving TLC with a yearly deficit of approximately \$8,000 that must be offset by funds raised from private and church contributions.

PROGRAM IMPACT

A SUCCESSFUL FIRST YEAR

In its first year Trinity Arms housed 19 families, 18 of which came directly from shelters. By year's end, five families were ready to move to permanent subsidized housing; they no longer needed the full range of social services

that Trinity Arms offers. Other families continue to work towards independence, and case managers note sharp rises in many tenants' self-esteem due to new-found employment and fulfillment of personal goals, as in the instance of one woman who has taken steps toward becoming a singer.

PROGRAM REPLICATION

GOOD RELATIONS WITH GOVERNMENT AND EFFECTIVE CASE MANAGEMENT

Trinity Arms' experience shows that government support can be a critical asset in starting a housing project. Funds and advice are available, but the organizers of Trinity Arms say that establishing a good relationship with government liaisons early on paid off. An advocate in the housing authority, for example, can facilitate everything from funding to tenant selection.

Effective case management is a necessary component of all housing programs, and the CFLS staff has been

essential to the Trinity Arms program. CFLS staff found that when hiring case managers it was wise to be flexible until the organization knew what kinds of expertise were needed. They also found that in dealing with families it is especially important to have adequate children's activities.

It takes a lot of work and faith to turn a run-down building into a comfortable home. Mending broken lives is not easy either. But help in the form of volunteers and funds is available and for the families in the shelters a project like Trinity Arms means new life and hope for a better tomorrow.

FOR MORE INFORMATION CONTACT:

Rev. Thomas Knoll
Community Family Life Services
305 E Street, N.W.
Washington, D.C. 20001
(202) 347-0511

Trinity Arms is producing a more detailed description of its program, which will appear in January 1990.

Carpenter's Lodging, Inc.

ALEXANDRIA, VIRGINIA

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A Denominational Provider of Transitional And Permanent Housing

THE MODEL AND ITS SETTING

SHORTAGE OF TRANSITIONAL HOUSING UNITS

Many homeless individuals and families are victims of only temporary setbacks in their lives. They frequently need only assisted temporary housing in order to get back on their feet. But in a community where housing prices are rising rapidly, it is difficult to find and preserve the kind of housing units that could offer both temporary and longer-term help to this group. A program to acquire relatively low-cost units and to rehabilitate and perhaps furnish them as affordable temporary and permanent homes, while providing the support services that families may need to regain financial stability, can play a valued role in such a community.

CONTROLLING PROPERTY AND PROVIDING TRANSITIONAL SERVICES

Carpenter's Lodging, Inc. (CLI), a coalition of Episcopal churches in Alexandria, is buying such properties and providing transitional housing services in its community. The nonprofit corporation acquires units—six townhouses to date, with multi-family units planned—and conducts repairs, selects tenants likely to make the transition into

permanent market-rate homes, and manages the provision of family support services until the family “graduates” (or for up to one year). Acquisition funds, originally provided by participating churches, are increasingly provided by government and private grant sources and by below-market lenders. Operating funds, provided by church and private contributions, are kept within bounds through creative use of city social service providers and member church volunteers. CLI also conducts education and advocacy programs, is the parent organization for Carpenter's Shelter, and is planning the development of affordable permanent housing in the near future. CLI, not yet three years old, has become a significant resource for affordable housing in Northern Virginia.



PROGRAM DEVELOPMENT

ADDRESSING AN IMMEDIATE NEED ...

In early 1986 congregation members and clergy of the eight churches in Region IV of the Episcopal Diocese of Virginia formed a task force to study the causes of, and possible solutions to, the increasing homelessness in the area. The group's analysis showed that the greatest initial need was for transitional housing for families leaving Alexandria shelters. Accordingly, outreach ministries of the eight participating churches organized a collaborative effort to focus—at least initially—on this need. CLI, established as a non-profit corporation in September 1987, was the result.

WITHIN A BROADER MISSION

The task force participants realized, however, that the homelessness problem was complex and multifaceted, so they adopted a broader mission for the organization. The three program areas planned to accomplish this mission included property acquisition, transitional housing and counseling, and advocacy for affordable housing. CLI began this program with an \$8000 grant from Region IV of the diocese and commitments for first-year operating funds from its eight church members.

ACQUIRING SUITABLE HOUSING UNITS

CLI leadership began developing its initial transitional housing service on several fronts. The executive director and member church volunteers spent most of the first year seeking out favorably priced housing units, educating congregation members, and developing working relationships with Alexandria social service agencies. Initially, the

group preferred multi-family units for the transitional program, but when suitable units were slow to turn up, CLI targeted townhouses as suitable alternatives. The first six houses were bought in September 1988, and member congregations—by then well aware of the CLI program—pitched in for an intensive two months of rehabilitation activity on the first of these homes.

BUILDING A COMPREHENSIVE PROGRAM

The CLI program's second year has been devoted primarily to rehabilitating these initial units, selecting and serving the transitional clients, and developing coordinated volunteer support. Three homes have undergone significant renovation, but with congregation members providing most of the skills and labor and with local merchants donating sizable portions of the materials, no unit has cost more than \$7000 to complete. Two of the remaining houses required only minor repairs, so five dwellings are livable and were occupied at the end of CLI's second year. Family support teams including city social workers have been organized to work with and support the families in the three transitional program houses, and the families are making progress towards fully independent living.

CLI leadership continues to seek multi-family housing units for its transitional housing program and has raised some grant monies for acquiring suitable units when found. In addition, program leaders intend to utilize the expertise they are developing in real estate selection, financing, and maintenance to develop affordable permanent housing for lower-income Alexandria citizens in the months ahead.

PROGRAM OPERATION AND ORGANIZATION**BUYING THE HOUSING UNITS**

The initial step in CLI's affordable housing program is the purchase of suitable housing units. The organization hopes to preserve a stock of affordable housing units for use in both their transitional program and a future low-to-moderate income rental program by acquiring favorably priced units throughout Alexandria and performing repairs and rehabilitation as necessary for family occupancy.

The approach taken for buying the first six houses, for instance, was to select affordable but improvable houses, raise down-payment funds from member churches and other friends, finance the purchases with market-rate loans, renovate the houses primarily with church volunteers and donated materials, and then refinance the loans with below-market financing where possible. These initial houses were bought for a total of \$420,000, including \$45,000 in cash and \$375,000 in loans.

**MANAGING THE UNITS
FOR TRANSITIONAL HOUSING**

With five houses occupied, CLI's ability to pay the mortgage debt is relatively secure. The properties are managed to minimize vacancy time, and current rents are set—at about \$600 per month—to cover the debt service on the commercial-rate purchase loan. Rents are to be lowered when lower-cost permanent financing is obtained from a HUD transitional housing grant, the Virginia Housing Development Authority, or other such low-cost mortgage sources.

CLI has organized its on-going housing management function by having each member parish assume responsibility

for one rehabilitated house, handling repairs and other needs as they arise. Multi-congregational teams will continue to tackle the larger rehab jobs as new properties are brought into the program through purchase, lease, or other forms of control.

THE FAMILY STABILIZATION PLAN

Now that three houses are inhabited by transitional program families, CLI is providing its family housing and support services activities, called the Family Stabilization Plan. This element of CLI's program is a year-long service of counseling, rent assistance, and related activities for families selected from local shelters. Participating families have household income less than HUD Section 8 limits (50 per cent of the median income in the area) and demonstrate a willingness to work toward financial self-sufficiency.

Selected clients sign a one-year lease and Family Stabilization Agreement providing for an appropriate level of rent, for family goals in employment and savings, and for a client-specific support plan to reach these goals, including quarterly reviews to assess progress. CLI commits to provide housing, counseling, and related support to the client family for up to one year. The client, in turn, commits to making every feasible effort to become self-sufficient and ready for permanent housing within the year.

**A YEAR OF FRIENDSHIP AND
SUPPORT**

Each client family has a designated support team, including a CLI staffer, a city social worker, and a volunteer from a member church congregation or else-

where. Church volunteers are being organized, now that Family Stabilization activities are well underway, to participate in training for these important roles. CLI leaders note that this support element of their program enables CLI to offer more than affordable real estate—it promises a year of friendship and support to its client families.

EXPANDING BEYOND TRANSITIONAL SERVICES

The early visibility and preliminary success of the transitional housing program have provided a natural base

for CLI activity in other housing-related fields. The organization provided support for a 35-bed shelter in the winter of 1987-88, for instance, and has helped to organize the 150-bed Carpenter's Shelter, the largest shelter in Northern Virginia. This facility, though independently operated, is housed under the CLI corporate umbrella. The sizeable volunteer force associated with the shelter and the other CLI activities have in turn provided a natural vehicle for carrying the message about the need for more affordable housing to an ever larger audience.

PROGRAM RESOURCES

THE VOLUNTEERS

CLI has made good use of Episcopal church resources of volunteers and funds in its first two years. Nearly all of the workers involved in renovating the initial six houses have been members of the eight participating congregations, and \$35,000 of the \$75,000 in capital funds for purchase and rehab were raised by these same congregations. Program leadership has also been drawn from these churches and the diocese; the CLI board consists of one member from each CLI church and the President of Region IV.

THE STAFF

CLI's executive director provides day-to-day direction of the program, with the support of a part-time staff assistant/property manager and a part-time case manager. A developing committee structure, covering acquisitions, finance, client selection and support, rehab, advocacy, and volunteer and donation coordination, provides a framework for channeling the energy of parish volunteers into needed activities.

PUBLIC AND PRIVATE RESOURCES

CLI draws heavily upon Alexandria City Social Service Department staff for its Family Stabilization Program counseling. Local merchants and businesses help the program as well, having donated considerable materials and supplies to the program to date. Additional financial resources are to be drawn from outside the Episcopal church community, such as foundation grants, below-market private and government loans, and the United Way.

PROGRAM IMPACT***FROM HOUSING UNITS TO
TRANSITIONAL HOMES***

Though a young organization, CLI already has accomplished a good deal. Six homes are in its inventory of improved, affordable transitional homes for families leaving local shelters. A framework is largely in place for acquiring and rehabilitating more such units, for either transitional or permanent housing purposes. An organizational structure is being fashioned for drawing additional resources and energy into the

program. The Family Stabilization Plan methodology is being used in the family support activities of the program. Finally, three formerly homeless families are making progress toward economic stability.

CLI has more to learn about how best to help these families accomplish this goal. But their model offers promise for other coalitions of churches seeking to make a difference in the affordable housing issue.

PROGRAM RESOURCES***STRENGTH FROM DENOMINATIONAL
PARTNERSHIP***

CLI leaders acknowledge that early program planning and development work was facilitated by the diocese framework and the common faith of the partners. Other congregations may find the denominational setting to be a natural one for pooling energy and expertise for such ventures.

Now that the program is underway, however, CLI is actively seeking to

enlarge the pool of financial and other resources for their program. CLI's use of the Alexandria social service staff appears to be a particularly effective way to provide professional expertise in family support alongside nurturing relationships with congregation members, while keeping program costs under control. CLI's experience in refinancing market-rate loans with less expensive permanent mortgage financing will also be instructive to the faith community in the months ahead.

FOR FURTHER INFORMATION CONTACT:

Helen Lewis, Executive Director
Carpenter's Lodging, Inc.
413 Duke Street
Alexandria, VA 22314
(703)549-4407

Members of CLI:

Christ Episcopal Church, Church of St. Clement, Church of the Resurrection,
Emmanuel Episcopal Church, Grace Episcopal Church,
Immanuel-Church-On-The-Hill, Meade Memorial Episcopal Church,
St. Paul's Episcopal Church, Region IV of the Diocese of Virginia

Bethesda Interfaith Housing Coalition

MONTGOMERY COUNTY, MARYLAND

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An Interfaith Transitional Housing Initiative Using County Set-Aside Programs

THE MODEL AND ITS SETTING

DEVELOPMENT SET-ASIDES FOR LOW-INCOME HOUSING

As Washington, D.C., metropolitan area housing problems have worsened in recent years, public officials have designed a range of programs for harnessing the energy of the local building industry for the creation of more affordable housing. One common type of program trades permits for new projects for developer commitments to offer a percentage of the completed dwellings for sale at below-market prices. But the relatively small amount of housing produced under such set-aside programs may still be unaffordable to those with very low incomes. And the lower-income families that do get such housing may still need a variety of support services to stabilize family life and achieve economic independence.

CHURCHES CAN IMPROVE TARGETING AND RESPONSIVENESS

Local coalitions of churches can play a useful role in enabling lower-income families to benefit from such public-private programs. As potentially qualifying nonprofit organizations, they may be able to acquire below-market housing units in cooperation with the local public housing authority.

They have some access, through congregational fund-raising, to money for acquiring the units. Individual congregations also have access to the skilled and caring people that can help provide services to assisted families, and the coalition can undertake an enterprise that would be too daunting for an individual church.

The Bethesda Interfaith Housing Coalition (BIHC), an organization of 17 churches in Montgomery County, provides an instructive example of this model in action. BIHC has established a demonstration program to provide transitional housing for low-income families with the potential for upward mobility. The program entails the purchase with coalition-raised funds of moderately-priced dwelling units (MPDUs) produced under Montgomery County's MPDU program, the selection of families to be housed and assisted in these units, and the provision of support services to these families over a three- to five-year period. Since the BIHC program is run entirely by volunteers from the participating religious organizations, the resulting program provides comprehensive transitional housing and services to families at very modest financial costs.

PROGRAM DEVELOPMENT***FROM FAMILIARITY THROUGH
KNOWLEDGE TO ACTION***

In the spring of 1986 representatives of three Bethesda churches, concerned about growing evidence of homelessness in their community, met to discuss the problem. Participants quickly realized that, though most had worked in soup kitchens and shelters, they knew relatively little about the homeless problem or what other congregations were doing about it. Accordingly, they conducted a survey of 30 area religious organizations to learn about their activity with the homeless and to ascertain their interest in joining together to more effectively study and act on the issue. A larger group of congregations, augmented by survey respondents, decided to meet weekly for six months to study the homeless issue and then to select a course of action.

Participants soon came to see the MPDU program, a Montgomery County initiative to create more affordable housing units in new developments, as a potential resource for an initiative to address the needs of the homeless. They saw that they could capitalize upon their congregations' likely ability to raise "seed" capital for the purchase of MPDU units and to mobilize capable volunteers for family support activities. They also came to feel that, while a multi-unit transitional housing program was beyond the current abilities of any one congregation, a coalition of several churches could reasonably undertake such a project. At the completion of the six-month study period in 1987, the group—by then a coalition of 11 congregations—selected this approach for action and incorporated BIHC as a nonprofit organization.

***ESTABLISHING A PILOT
DEMONSTRATION PROJECT***

The new coalition decided to build its initial program around a pilot project to demonstrate the feasibility of running an effective transitional housing program with these MPDU units and coalition volunteers. The initial goals were to house families earning less than \$10,000 per year, to help these families to gain financial independence and move on, to learn as much as possible about the problem and this strategy for addressing it, and to demonstrate, as BIHC President Helen Du Pont says, "that ordinary citizens could make a difference if they worked together".

BIHC members began almost immediately to raise funds for the down payment and closing costs of the five units that they planned to buy from the County Housing Opportunity Commission (HOC) before the end of 1989. Members of the eleven coalition congregations began a series of church fairs and flea markets, conducted an auction, and collected donations from church budgets and occasionally from individuals. BIHC members also began to study and develop relationships with the staff of the HOC and with potential sources of mortgage credit. By November 1988 enough had been raised to permit the purchase, for about \$53,000 apiece, of 3 three-bedroom MPDUs in North Bethesda, with mortgage financing provided by Riggs Bank and—at below-market rates—the local McAuley Institute. Family tenant applicants were interviewed and selected and church member volunteers were recruited to support and

befriend them, and the program was in business.

The early promise of the BIHC program encouraged Montgomery leaders to modify the County Code to allow qualified nonprofit organizations to purchase MPDUs directly from county developers. BIHC, as one of four such

organizations, bought its fourth unit—in Burtonsville—in that fashion in August 1989, welcoming a local church into its membership to provide family support for the new tenants in that home. The coalition plans to buy a fifth home in Gaithersburg later in 1989.

PROGRAM OPERATIONS AND ORGANIZATION

USING SET-ASIDES TO LOWER HOUSING COSTS

BIHC is a transitional housing and family support program that has used a local government program to lower the costs of the housing that it provides. The organization purchases housing at a discount, under the County MPDU set-aside program, thereby reducing the amount of tenant rent subsidy required under the Section 8 program. Family tenant rents and subsidies are set to cover all unit financing costs, and unit maintenance is provided by the HOC staff. Because BIHC has no administrative costs to recover from unit cash flow, funds raised by the organization can be invested directly into new housing units.

FROM FINANCING TO FRIENDSHIP

The program cycle begins with the raising of funds for the down payment and closing costs of a moderately priced dwelling unit. These costs have amounted to about 15 to 20 per cent of the \$53,000 to \$69,000 prices paid to date. When a moderately priced unit is available, BIHC leaders negotiate with the other three program-qualified nonprofit groups to determine the buyer of the unit. When appropriate, BIHC leaders line up mortgage financing for an available unit and begin to interview tenant candidates. Tenants are selected

from the HOC waiting list on the basis of their commitment to a program of upward mobility and the compatibility of their needs with BIHC volunteer resources. A local law firm provides pro bono legal assistance for the settlement of property purchases.

When the selected family moves into the new BIHC-owned home, a team of three volunteers from member congregations is assembled to give support. Led by a team coordinator, this small group helps the family with such challenges as effective time and budget management, educational tutoring, and career planning. Each team attends a monthly training and informational meeting held by the BIHC volunteer coordinator, who also interacts with HOC property services about unit maintenance needs. Periodic social gatherings and an annual party for all tenants and BIHC volunteers and friends have contributed to the spirit of good will and friendship among all participants.

In addition to its transitional housing and family support services, BIHC has established a \$300 revolving loan fund that offers short-term loans at low rates for tenant emergencies. BIHC offers no other financial aid to its client families in its self-help-oriented program.

ALL-VOLUNTEER LEADERSHIP

The BIHC program is led by a board of directors consisting of members of the coalition, now numbering 17 congregations. The board meets monthly to discuss progress, challenges, and opportunities for new development. The officers of the board devote a signifi-

cant portion of their time to forming networks with County churches and with housing providers throughout the metro area. Members of a board speakers' committee make presentations to religious groups and other community organizations on an ongoing basis.

PROGRAM RESOURCES**CONGREGATIONAL MEMBERS' COMMITMENT IS THE BASE**

The core of the BIHC program is the group of dedicated volunteers from member churches. All functions—from family counseling and real estate legal work to executive direction—are performed by these volunteers.

Through the commitment of such individuals, BIHC has developed access to the capital and to the MPDU housing units that are the other key resources of the program. The bulk of the money for down payments, some appliances, and the loan fund has come from members of the coalition congregations inspired by the program concept and by those committed to it. This same commitment has contributed to the strong working relationship between the Housing Opportunity Commission

and the BIHC. The HOC has been a valuable resource of knowledge and expertise for BIHC.

PUBLIC SUBSIDY AND PRIVATE FINANCING

Other important public resources include the Section 8 certificates of the tenants, which create much of the cash flow from the properties, and the property management section of HOC that provides home maintenance services to BIHC properties under contract. Mortgage financing provided by Riggs Bank and the McAuley Institute has been an important private resource; the responsive lending and servicing provided by the lenders and the businesslike payment record of the borrower have led to a warm relationship and a sound basis for future BIHC credit.

PROGRAM IMPACT**FAMILY IMPACTS AND MODEL POTENTIAL**

BIHC has provided affordable rental housing for 13 people in three needy families for almost one year—a noteworthy achievement in the overheated economy of Montgomery County. Perhaps more significantly, the program has begun to demonstrate the practicability of its model for housing promis-

ing low-income families and—though no family has completed the transition to market-rate housing yet—for assisting them to economic independence. All families are making appropriate progress in that direction, and a BIHC survey indicates that volunteers are experiencing a high rate of personal satisfaction from their involvement.

LOOKING TO THE FUTURE

BIHC leadership is currently addressing the question of expansion. A major consideration is the extent to which the current volunteer-based structure can support growth beyond the five units included in the original demonstration project. Members also note that there must be a continual supply of new energy

and skills to the program and a regular evolution in organizational leadership if the program is to stay healthy. The BIHC program has already shown, however, that good people can be moved to join in an effective affordable housing enterprise that demonstrates their faith in action while addressing a critical community need.

PROGRAM REPLICATION

A BIAS FOR ACTION

Not all congregations have access to set-aside or other linkage programs for the design and planning of their housing ministries. BIHC experience suggests that, where such programs exist, they must be thoroughly understood and persistently pursued if they are to become a useful asset to the program. Montgomery County's MPDU is only one example, however, of a wide range of public and philanthropic initiatives that a congregation can capitalize on to take action on affordable housing.

BIHC clearly demonstrates this bias

for action. The initial study group knew that time would be required to identify and frame the options for program activity, but they set a limit on this study time to force action.

Faced with choices between money for staff or for houses, the leadership opted for a lean, volunteer-driven organization and put the money into homes. The organization is currently considering their future in light of the demonstration project experience, but BIHC members have a solid track record to inform their discussions and planning.

FOR FURTHER INFORMATION CONTACT:

Helen DuPont, President
P. O. Box 151027 • Chevy Chase, MD 20815
(202) 232-6748 (CCSH)

Members of BIHC:

Bethesda First Baptist Church
Bethesda Friends Meeting
Bethesda Presbyterian Church
Bethesda United Church Of Christ
Bethesda United Methodist Church
Cedar Lane Unitarian Church
Christ Evangelical Lutheran Church
Concord St. Andrews United Methodist Church

Liberty Grove United Methodist Church
North Chevy Chase Christian Church
River Road Unitarian Church
St. John's Episcopal Church
St. Luke's Episcopal Church
St. Mark Presbyterian Church
Trinity Evangelical Lutheran Church
Warner Memorial Presbyterian Church
Community Ministries of Montgomery County

Good Shepherd Housing and Family Services

MOUNT VERNON, VIRGINIA
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A Subsidized Sub-Lease Model

THE MODEL AND ITS SETTING

A PROBLEM FINDING AFFORDABLE RENTALS

In the Washington suburban areas, people with low incomes face a housing dilemma because actual market rents exceed the limits local housing authorities allow for Section 8 rental assistance programs. Even in cases where rents do not exceed these limits, landlords may be unwilling to rent to low-income families and individuals who receive public assistance or to those with poor credit records. By leasing apartments and subletting them at the Section 8 limits, church groups can provide low-income people with apartments even in expensive markets. Because the church group holds the lease and is responsible for paying the landlord, the landlord need not worry about the income and credit history of the tenants.

CHURCH-SUBSIDIZED APARTMENTS

Good Shepherd Housing and Family Services (GSHFS), an outgrowth of Good Shepherd Catholic Church in Mount Vernon, uses this model to provide housing for low-income people in the Route One area of Mount Vernon and Lee. It collects the Section 8 payments from its sublettors and the counties and when necessary absorbs the difference between market-rate rents

and Section 8 assistance (about \$25-50 a month). In addition, GSHFS maintains regular contact with its subtenants and helps them acquire grants for security deposits, utility and medical assistance, and furniture. By avoiding the expenses involved in owning property and by relying on an all-volunteer staff and the help of other community support agencies, Good Shepherd keeps its operating costs to less than one percent of its budget. The subsidized sub-lease model provides GSHFS with an economical, non-bureaucratic, and uncomplicated but effective source of aid to people who otherwise would be unable to live in the Mount Vernon/Lee area.



PROGRAM DEVELOPMENT

HOW THE PROGRAM GOT STARTED

GSHFS began in 1974 when a parishioner of Good Shepherd Church noticed a local family living under impoverished conditions. The sublease model was drawn up as a way for the church to help. For several years the group used its model to support three or four families. GSHFS grew significantly in 1979 and 1980 when a new priest at Good Shepherd Catholic Church, Father Jerry Creedon, lent his support to the organization's efforts to meet the needs posed by a rapid increase in the number of homeless local families and individuals. During the 1980s, GSHFS has consistently housed many families.

FORMING A CORPORATION AND CHOOSING A LEADER

Although it has always enjoyed a close working relationship with the church, GSHFS was founded as an independent corporation in order to avoid undue entanglements between its finances and those of the church. A board of directors has overseen the corporation, and has expanded from nine to 15 members. At its bi-monthly meetings, the board has worked out bylaws, overseen program funding, and resolved problems the organization has faced.

Since the inception of Good Shepherd Housing and Family Services, Joseph Adinaro has served as president, overseeing the everyday management of the program. He recently stepped down and George Klett, the former treasurer of the program, replaced him.

PROGRAM ORGANIZATION AND OPERATION

FINDING NEW TENANTS NEW HOMES

Referrals to GSHFS come from housing authorities, charitable groups, and former participants. Prospective tenants are selected on the basis of immediate need without regard to their credit history or income levels, provided that they have a Section 8 certificate. GSHFS prefers to help those who are regularly employed, and considers that having a job is an indication of a family's desire to better its lot, but it sets no income standard.

Some potential tenants come to Good Shepherd after having found an apartment that suits their needs, and GSHFS encourages clients to take initiative in managing their own affairs. When clients are unable to find an apartment, GSHFS

helps locate rentals, working with landlords with whom GSHFS has established a good rapport. Several landlords have a standing offer to rent to GSHFS.

When an apartment has been found, the landlord submits a Request for Lease Approval to the local housing authority, which inspects the unit to ensure that it meets housing code requirements. GSHFS then signs a lease agreement with the landlord, and a lease and contract for Section 8 assistance with the housing authority and the tenant.

ONGOING DUTIES AND REGULAR SUPPORT

Once a month thereafter GSHFS collects Section 8 payments from the housing authority and the tenants and

makes monthly payments to landlords. Volunteers from Good Shepherd Church maintain regular contact with clients to assure that housing conditions are kept at a satisfactory level and that the clients receive necessary services provided by agencies within the community. The regularity of this contact varies from a weekly visit to a monthly telephone call.

Where it is feasible, GSHFS seeks to have its participants eventually sign their own lease directly with the landlord. In many cases, within a year or two clients have built successful credit records and have utilized support services to enhance their situation and foster self-sufficiency.

PROGRAM RESOURCES

THE VOLUNTEERS

The success of the Good Shepherd program is due in large part to the commitment of its volunteers; both Mr. Adinaro and Mr. Klett contribute forty hours a week and other volunteers give their time on an as-needed basis.

FUNDING

A second essential ingredient to the program's success is adequate funding. Payments from the Section 8 program represent roughly two-thirds of the GSHFS annual budget (\$200,000 of a

total \$300,000 budget is money GSHFS collects and passes directly on to landlords). The remainder of the budget is provided by McKinney Act funds (\$30,000), Community Development Block Grants (\$15,000), and donations from Good Shepherd Church, individuals, and corporate and charitable sponsors. Good Shepherd Catholic Church and other area churches also support the program by giving GSHFS part-time use of an office, which includes postage, telephone and photocopying services.

PROGRAM IMPACT

PROVIDING RENTAL HOMES

Good Shepherd Housing and Family Services houses a significant number of clients (most of whom are families) that otherwise would be on the streets or in shelters. Some people whom GSHFS assists—refugees, people with chronic mental illnesses, and ex-prisoners—face extreme challenges in finding and keeping a home. Nonetheless, very few tenants fail in this goal and these examples are more than offset by numerous and notable success stories. To date, GSHFS has successfully housed 40 families and each year it helps another several

hundred people with counseling, security deposits, and assistance with rent and utilities.

BENEFITS TO THE CHURCH

Besides benefiting its clients, GSHFS also benefits Good Shepherd Catholic Church by enhancing its visibility within the community. Other organizations are using the model which it developed, and the church is an inspirational leader and teacher in the field of affordable housing in Fairfax County.

PROGRAM REPLICATION

ADVICE TO START SMALL

The Good Shepherd model can be replicated in any area where the Section 8 system is in operation and market rental rates exceed allowable Section 8 limits and where local housing authorities are receptive to working with a church-based group. Small churches can start with a single family. In fact, Mr. Adinaro counsels that even large churches would be wise to start on a small scale. Although this model can be implemented by small churches, the

church should be willing to provide office space and services and should be prepared to bridge the gap between the client's rental payments and the actual rent paid to the landlord. In the rare case of tenant default, the church must be prepared to honor its lease agreement with the landlord. Finally, enthusiastic volunteers are essential and the program's successful implementation depends on having at least one person willing to devote a good deal of volunteer time and energy to its coordination.

FOR MORE INFORMATION CONTACT:

George Klett, Director
Good Shepherd Housing and
Family Services, Inc.
Box 268
Mount Vernon, VA. 22121
(703) 360-4421

Anne Frank House

WASHINGTON, D.C.

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A Permanent Residence for Homeless Women

THE MODEL AND ITS SETTING

TAKING THE DIRECT ROUTE

The most direct approach to helping the homeless is to provide them with permanent housing. One such approach entails finding a house to rent, making it suitable for habitation as a group house, and then finding homeless tenants who are able to live in a group setting.

A GROUP HOUSE FOR WOMEN

Using this approach, the Adas Israel Congregation of Washington supports Anne Frank House, a permanent group home for five formerly homeless women. A board of directors, made up primarily of members of the congregation, oversees the financial status of the

house, develops community relations and, through a three-member House Committee, meets periodically with residents and a case manager to resolve any issues that arise.

The congregation is encouraged to contribute to the house's finances, often as a way of marking significant family events. The residents pay a monthly rent that conforms to their earnings or government assistance. Lutheran Social Services (LSS) regularly sends one of its case managers to Anne Frank House, but the everyday functioning of the house is the responsibility of the residents themselves, one of whom is contracted to be house manager.

PROGRAM DEVELOPMENT

A MINISTER ISSUES A CHALLENGE

Moved by the prophetic call to do justice (*tsedaqah*), several members of the Adas Israel Congregation began working with homeless women at Luther Place Shelter Ministries in the early 1980s. This led to a workshop on homelessness at Adas Israel Congregation in April of 1987. At the workshop, Rev. John Steinbruck raised the challenge of "One House of Worship—One House," a model in which an individual church

or synagogue takes responsibility for providing one house for a homeless family or a group of homeless individuals. A congregational task force was formed to explore options for housing homeless people. By December of 1987, the task force had become an independent corporation with a vision for Anne Frank House and the blessings of the congregation.

FUNDING, FINDING AND FURNISHING THE HOUSE

A large portion of the project's initial budget came from members of the task force and a group of financial backers assembled by the fund-raising chairman. As the project took shape, its budget was enhanced by annual and special contributions from the synagogue members and additional backing from people in the community.

Once the future house's financial status was secure, a two-person real estate committee began to search for a suitable house. For a variety of reasons the board chose to rent rather than buy a house: renting required less start-up money; the landlord would see to major repairs; the house could be occupied more quickly; and, if need be, the program could be moved to a new location. They also decided they needed a house that could be rented for about \$800 a month and was accessible to public transportation, stores, and social services. Within three months, the committee had located an appropriate townhouse through a "by owner" classified ad. Individuals on the board lent their particular expertise toward negotiating a lease and arranging insurance for the house.

Furnishing the house cost the project nothing in terms of money, but it involved a good deal of volunteer time

to solicit contributions from local merchants and synagogue members.

LUTHER PLACE HELPS TO CHOOSE RESIDENTS

While these preparations were proceeding, the board began the task of choosing tenants. Consideration was given to the needs and abilities of the women and especially to the question of who might do well in a group setting. Potential residents were also given the opportunity to become acquainted with the house to determine whether it met their needs. Within two months, a group of five women was chosen for Anne Frank House. The staff at Luther Place worked closely with the Anne Frank board in choosing the tenants, consulting on the house rules, and arranging for the services of a case manager.

ORGANIZING THE BOARD FOR CONTINUING SERVICE

After the house opened, the board established its permanent committees: a house committee to serve as liaison between the board and the residents; a finance and budget committee to raise funds and monitor finances; and an outreach committee to foster good community relations and to support groups that seek to undertake similar projects.

PROGRAM ORGANIZATION AND OPERATION**RESIDENT RESPONSIBILITIES MAKE FOR INDEPENDENCE**

The tenants are responsible for most of the day-to-day affairs of the house. Cleaning chores are divided between the residents and overseen by the house manager, who also buys and distributes cleaning supplies.

In addition to buying food, each resi-

dent contributes \$200 per month towards rent and pays for her long-distance telephone calls. The Anne Frank House general operating budget pays for all other utilities (including basic telephone service), linens, housewares and a monthly stipend for cleaning supplies.

Attendance at a weekly house meet-

ing is mandatory for all residents and typically focuses on interpersonal dynamics, common concerns of the residents, and ways in which the house might function more smoothly. The LSS case manager runs these meetings after having heard from the house manager about the general status of the house.

THE CASE MANAGER AND HOUSE COMMITTEE PROVIDE SUPPORT

The case manager makes herself available to work with the residents on a one-to-one basis when the need arises. She maintains frequent contact with the House Committee to report on issues and developments at the house. When a resident moves out, the case manager also takes the lead in selecting a new tenant. Once a month, members of the House Committee attend a regular residents meeting. This affords the committee a chance to learn first hand about the

functioning of the house and it also gives the residents the opportunity to alert the board to necessary house repairs or improvements. In general, however, the board members attempt to respect the tenants' privacy and limit themselves to social visits.

THE BOARD PROVIDES REVIEWS AND OUTREACH

The entire board of Anne Frank House meets four times a year. Reviews of the house's finances, including an annual audit, are a regular part of the board's tasks as are reports on the residents, requests for repairs, and ratification of changes to the house rules. Increasingly, the board has found that it has the opportunity to support and encourage other congregations starting similar programs, and it provides speakers and literature in response.

PROGRAM RESOURCES

THE BOARD BRINGS DIVERSE SKILLS

The commitment, skills, and enthusiasm of the 17 members of the Anne Frank House Board are essential ingredients to its success. Lawyers negotiate the lease and maintain the nonprofit status of the corporation. An insurance executive sees to providing the house with insurance. Bookkeeping and audits are donated by an accountant on the board. Other members work on publicity and fund-raising or are liaisons with residents.

THE CONGREGATION PITCHES IN

Although it is an independent corporation, Anne Frank House receives important support from the synagogue. In addition to individual contributions, the

Adas Israel Hebrew School and Nursery School assist with money and food. Groups from the synagogue and the Washington Jewish community volunteer labor and arrange dinners and entertainment for the women of the house. In turn, the successful reputation of Anne Frank House benefits the congregation. In 1989 the Social Action Committee of Adas Israel won the Solomon Schechter award from the United Synagogues of America for Anne Frank House.

The yearly budget calls for more than \$9,000 to cover rent in excess of the residents' payments, utilities, insurance, furniture, housewares, cleaning supplies, the house manager's stipend, and occasional gifts and special dinners. Although this seems like quite a lot of money, the experience of the Anne Frank House board is that raising funds is much easier

than they had initially envisioned. Many generous contributions come from people and organizations with no direct ties to Adas Israel.

PROGRAM IMPACT

REBUILDING LIVES OF DIGNITY

Since March of 1988, Anne Frank House has continued to provide a stable home for five women who had been homeless. There has been some turnover among the residents, with different residents leaving for different reasons. Part of the challenge of running a group home is finding people with an aptitude for living in a group setting. Not all of the residents of Anne Frank House have

had this ability, and the board and case managers are still learning how to successfully screen potential residents. But if, for some, Anne Frank House turns out to be a transitional home instead of the permanent one that the board seeks to provide, the board does not consider this a failure. On the contrary, it has fulfilled its mission of helping some of Washington's homeless citizens rebuild lives of dignity and self-sufficiency.

PROGRAM REPLICATION

A GOOD PROGRAM FOR A SMALL CONGREGATION

That the Anne Frank House model can be duplicated is evident from the number of groups that have approached the house's board with requests for guidance in setting up similar programs. The board counsels that the supporting or-

ganization needs to have a skilled volunteer board willing to invest time and energy in the program. Appropriate funds must be raised and the services of a case manager need to be procured. The Anne Frank House Outreach Committee is available to meet with those interested in starting similar programs.

FOR MORE INFORMATION CONTACT:

Molly Schucat
c/o Adas Israel Congregation
Connecticut Avenue
and Porter Street, N.W.
Washington, D.C. 20008
(202) 362-4433

Jubilee Housing, Inc.

WASHINGTON, D.C.

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*A Program that Rehabilitates Property
with Residents in Place*

THE MODEL AND ITS SETTING

LOW-INCOME HOUSING DETERIORATES AND BECOMES MORE SCARCE

Because low-income housing produces relatively low profits, private owners of these properties frequently defer renovation work and discontinue maintenance. This protects the landlord's profits to some extent, but leads to deplorable living conditions for the tenants. Faced with ever-increasing utility and maintenance costs coupled with a limited ability to raise rents, the property owner eventually decides to sell. Buyers, aware of the previous landlord's problems, seek to attract higher income residents. Current tenants are evicted, the building is gutted and renovated for wealthier tenants, and the city loses yet another low-cost housing complex.

A MODEL TO STOP THE DOWNWARD TREND

Jubilee Housing arrests this trend by buying and rehabilitating run-down apartment buildings, ultimately transferring them to tenant control. Residents continue to live in the buildings while rehabilitation is underway so that no one is displaced and rental income is not interrupted. Jubilee bears rehabilitation costs itself, and keeps them low by using volunteer and low-priced labor and funding from grants and low-interest loans. Social support services, also provided by Jubilee Housing, encourage individual self-development, community cooperation, and tenant management. Since Jubilee Housing concentrates its efforts in the Adams-Morgan neighborhood in Northwest Washington, its projects cumulatively enhance the whole neighborhood.

PROGRAM DEVELOPMENT

COMMITMENT AND FAITH GIVE BIRTH TO JUBILEE HOUSING

In the early '70s, a small mission group of the Church of the Saviour, a local ecumenical church, became convinced that the lack of decent, affordable housing was one of the most pressing problems for the poor in Washing-

ton. This conclusion, which grew out of the group's experience doing social action in Adams-Morgan, was confirmed by several government studies.

In November 1973 the group established Jubilee Housing, Inc. to meet three objectives: (1) to demonstrate that acceptable inner-city housing can be

made available at costs within the budgets of low-income families; (2) to encourage and sustain the participation of tenants in the operation and management of such housing; and (3) to develop a model process from this experience which can

be applied by other groups in other communities.

Although the group lacked specific expertise in housing, construction, and finance, they possessed both a commitment to the poor and a common faith that, because of the gravity of the need, they would be shown a way to respond.



THE FIRST TWO BUILDINGS GET AN OVERHAUL

They soon found a way when a supportive community developer helped them acquire two apartment buildings and \$150,000 for initial rehabilitation work. The buildings, the Ritz and the Mozart, were in bad states of repair. Trash lined the corridors and stairways, elevators malfunctioned or did not function at all, and there were 947 housing code violations between the two buildings. Rehabilitation to acceptable standards began immediately with volunteer labor and, whenever possible, donated or below-cost materials. Apartments—the Ritz contained 60, the Mozart, 30—were upgraded on the basis of need. Jubilee completely avoided dislocating tenants by renovating one

apartment at a time and by using empty apartments to temporarily house residents whose apartments were undergoing major rehabilitation.

HUD awarded Jubilee Housing a \$1.8 million grant in 1978 to complete rehabilitation of the Ritz and the Mozart. The entire process took seven years.

SPECIAL SERVICES SUPPORT THE TENANTS AND THE CORPORATION

Since it began, Jubilee Housing contended that decent, affordable housing is but one of several components necessary to effectively serve the poor. Children's House Pre-School, founded in 1976, and Good Shepherd After School Program, begun in 1977, were created to provide educational opportunities for children. Academy of Hope, which started in 1982, was created to help adults pass the G.E.D. exam. In 1978 Columbia Road Health Services began to provide low-cost medical care and in 1981 Family Place was opened for the same purpose. Jubilee Jobs, a free employment service, was founded in 1981 to help hard-to-employ people find jobs.

As it grew and expanded its ministry, Jubilee Housing also expanded its needs as an organization. In 1978 a group of corporate executives active with Jubilee Housing formed the Jubilee Support Group to channel in-kind donations of technical assistance. The support group solicited the services of developers, construction specialists, accountants, lawyers and architects. One of the corporate members, the Rouse Company, contributed a full-time development director as a "donated employee". The Jubilee Support Foundation was established in 1984 to encourage the financial support of the business community. During the late '70s and '80s, Ram's Horn Task Force introduced visitors

from other communities to the work of Jubilee's ministries, a task that was transferred to the Servant Leadership School in September 1989.

TENANT MANAGEMENT TAKES SHAPE

An important aspect of Jubilee Housing's social services and one of its original goals was to prepare tenants to manage their own buildings. This involved building communication and rapport among tenants and helping them acquire the skills needed to operate their facilities. In 1977 an interim cooperative board of residents was formed.

Originally, Jubilee planned to turn its buildings into cooperatives, but events in the early '80s caused Jubilee Housing to rethink its system of tenant ownership. First, it discovered that powerful tenant board members could use their influence in ways harmful to other tenants. Second, Washington experienced a sharp rise in the number of homeless families, families that Jubilee wanted to serve. According to District laws, membership in a cooperative requires a capital investment by the cooperator. This was virtually impossible for families coming out of shelters, so the model of cooperative apartments was replaced by tenant management of buildings owned by Jubilee Housing. This allowed

tenants to have the final voice in deciding how their building would operate, but made it possible for families of very limited means to move into the buildings.

ADDITIONAL SUCCESSES SPUR REPLICATIONS NATIONWIDE

With its experience from the Ritz and the Mozart and the public support the project engendered, Jubilee Housing expanded in Adams-Morgan. They purchased and rehabilitated seven more buildings: the 48-unit Cresthill in 1975, the 32-unit Sorrento in 1978, the Marietta—16 units—and Ontario Court—27 units—in 1979, the 12-unit Fuller Court and the 32-unit Fulton Court in 1984, and Euclid, with 59 units, in 1986. In 1985 Jubilee Ministries also opened Christ House, an infirmary for the homeless, and Sarah's Circle for elderly residents.

The impact of Jubilee's rehabilitation work has been felt far beyond the borders of Adams-Morgan. Private groups in Baltimore, Louisville, Denver, Pittsburgh and Oakland adapted and replicated the model. The Enterprise Foundation, a national nonprofit low-income housing organization inspired by Jubilee Housing, has supported more than 100 neighborhood groups in 27 cities in the United States.

PROGRAM ORGANIZATION AND OPERATION

THE BUILDING AND CORPORATE BOARDS SUPPORT EACH OTHER

Each of Jubilee Housing's nine buildings is governed by its own board of tenants elected for two-year terms by the residents. The boards manage the buildings, select tenants, set priorities for improvements, decide on house rules and use of public space, work on secu-

rity and meet special needs of the tenants. New board members are trained by board alumni.

The Jubilee Housing corporate board of directors consists of one or more residents from each of the buildings, Jubilee Housing staff, neighborhood residents, ministers and business executives. Three subcommittees do the

board's main tasks: community management does building maintenance, education, and social support for residents; Jubilee Support Group does technical assistance; and administration operates Jubilee's central office and does advocacy and fund raising.

MODERATE REHABILITATION WITH MAJOR RESIDENT INPUT

With the exception of the Ritz, the Mozart, and the Euclid, Jubilee's acquisitions have not needed extensive rehabilitation. To keep costs and rents low, Jubilee does only moderate renovation, undertaking one job at a time as funds permit. Resident boards and Jubilee consultants give priority to jobs according to needs for code compliance, safety, energy efficiency, functional modernization, and aesthetics. This prudent approach is attractive to financial supporters since a concrete amount of money is requested for a specific job and is tied to a well demonstrated need.

Work proceeds through a management team comprised of Jubilee Housing's vice president, an engineer who knows the buildings and residents, a community manager who communicates with both residents and the appropriate boards, and a property manager who oversees contracts, purchasing and government requirements. The team is convinced that, in renovating occupied buildings, good communications with and respect for tenants is as important as construction know-how.

Volunteers spent some 50,000 hours renovating the Ritz and Mozart in the early years, but with time Jubilee Housing has moved away from heavy reliance on volunteer labor. Its experience has shown that using volunteers is not always the most effective way of getting a job done. Jubilee prefers to work with

regular trained employees who can bring to long-term rehabilitation the high-quality workmanship it requires. Although this is more expensive than using volunteers, it creates jobs for residents that build self-esteem and foster financial independence.

A PROGRAM AND A PEER COMMITTEE HELP THE NEEDIEST FAMILIES

Entry level rents are low—set at about \$200 per month for a one- or two-bedroom apartment—to accommodate homeless families who receive Aid for Families with Dependent Children (AFDC), but who receive neither the federal Section 8 subsidy nor city Tenant Assistance Program (TAP) money. Jubilee Housing intentionally makes small yearly rent increases that challenge families to continue working toward independence. Still, average rent is only \$235 and does not cover the costs of operating the buildings.

Families from shelters often need special help and attention, so in 1989 Jubilee Housing initiated Turning Point, a program designed to help the neediest families take steps toward self-sufficiency. Counselors work closely with these families to help them set and attain goals concerning employment, financial security, parenting and health.

Any tenant faced with an emergency can apply for help to the Committee of Compassion, a peer group of ten Jubilee residents. Requests that are accepted by the committee are passed on to donors around the country who send in contributions of \$2 to \$10. An estimated \$40,000 is collected yearly and used for clothing, medical expenses, funeral costs, and other emergencies.

PROGRAM RESOURCES**PEOPLE**

Although Jubilee Housing relies less on volunteers for rehabilitation, volunteers still do work projects and provide personal support to residents. The Jubilee Support Group continues to supply thousands of hours of professional expertise and one of its corporate members pays the salary of Jubilee Housing's vice president. The Jubilee corporation has a staff of 14, which includes office workers, maintenance people, and licensed property managers. Many staff members and contractors are also residents in Jubilee buildings.

FUNDING

Jubilee Housing essentially has three budgets. The annual administrative budget is approximately \$300,000 and comes from foundations, businesses, churches, and individuals. Approximately one third of that is raised by the Jubilee Support Foundation.

The building operation budget takes in about \$850,000 annually from rents, but runs at a deficit. The deficit is covered by contributions, particularly

through the Homebuilder plan, in which contributors donate \$65 per month to cover the average deficit of a single apartment and related administrative costs.

The capital budget covers costs of purchasing and rehabilitating buildings. Public grants and loans have accounted for 37 percent of this budget over the 16 years since Jubilee Housing acquired its first buildings. The remaining 63 percent has come from private grants and loans. The Jubilee Loan Fund, used exclusively for buying and renovating property, was begun in 1983 and now stands at approximately \$2 million. Supporters make loans to the fund at interest rates of 0 to 6 percent, as the lender chooses. There is no minimum amount or time period for the loan. About two thirds of the loans are at no interest. Grants and low-interest loans have allowed Jubilee Housing to keep its capital costs low—their property has been purchased and renovated at an average cost of only \$20,500 per unit, a figure far below commercial development averages.

PROGRAM IMPACT**THE JUBILEE VISION**

With its 315 apartments, Jubilee Housing is one of the biggest private providers of low-income housing in the Washington area. It has had a positive effect on the Adams-Morgan area and its model has been replicated in cities across the country.

But the most profound impact of the ministry—it is inspired by the biblical tradition of the Year of Jubilee when

land lost through economic misfortune is returned to the poor—runs deeper than the numbers show. In the words of Gordon Cosby, founding minister of the Church of the Saviour and chairman of Jubilee Housing, "It means building a wholistic, supporting community in which the poor person can grow and gradually move out from dependency to relative stability and then to a disciplined, full life. The Jubilee vision is made real in that great moment when

one outsider comes inside and is forever at home." The founders and current shapers of Jubilee believe that that vi-

sion not only transforms the lives of the poor, it has the power to transform whole societies.

PROGRAM REPLICATION

PERSEVERANCE, PRUDENCE, AND RESPECT

The expansion of Jubilee Housing in Adams-Morgan and the use of its model in other cities demonstrates that the program replicates well. Several factors contribute to the success of the model.

Jubilee Housing is a mature model providing an extensive system of housing and support services. The scope of its efforts may seem daunting to people contemplating starting a similar program. But most of Jubilee's efforts started small and the leaders often learned through mistakes. With perseverance and commitment, they built Jubilee Housing to its current size.

The rehabilitation process is geared for economy. Renovation is moderate and emphasizes safety and function over aesthetics. Improvements are undertaken one at a time when funding has been secured. Tenants remain in the building throughout the process and rent revenues are not interrupted.

For this kind of rehabilitation, residents must know the extent and scheduling of repairs and that their needs are taken into account at the planning stages. The Jubilee system of residential boards in the buildings with close ties to the corporate board keeps communication channels open in both directions. Staff community managers further facilitate communication. But ultimately the attitude of respect between tenants and management is most critical, and at Jubilee Housing this attitude is born out of a spiritual partnership that focuses on renewing a neighborhood.

A broad array of social services, with special programs for the poorest, addresses the many obstacles that face those working to improve their lives. Programs like the Committee of Compassion offer opportunities for the served to become servants, and together they build a caring community.

Jubilee Housing builds strong ties with businesses through the Jubilee Support Group and the Jubilee Support Foundation. Contributions from businesses of money, talent, and even employees are an essential supplement to other private and public donations.

FOR MORE INFORMATION CONTACT

Robert Boulter, Vice President
Jubilee Housing, Inc.
1750 Columbia Road, N.W.
Washington, D.C. 20009
(202) 332-4020

The Church of the Saviour's Servant Leadership School provides a good avenue to learn about the work of Jubilee Housing and the spiritual motivations behind it. (202) 328-7312

Victory Housing, Inc.

WASHINGTON, D.C. AND SUBURBAN MARYLAND

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A Denominational Development Model

THE MODEL AND ITS SETTING

A NEED FOR HOUSING FOR THE ELDERLY

As the average age of the American population increases, a growing number of senior citizens live in our homes, congregations, and neighborhoods. Yet the trend toward dual-income couples so apparent in our costly metropolitan area has rendered the most traditional means of support for the elderly—home care—an increasingly difficult option. With nursing care characterized by high and rising costs, there is a growing demand for alternative affordable housing combined with needed services for elderly citizens unable to care for themselves.

Many state and local governments have become aware of this demand under pressure from their constituents and are beginning to provide some of the resources needed to meet it. Maryland is in the forefront of these states, providing funds to support both the development and the operation of housing for the frail elderly, and a few such projects have been completed. But the costs of such developments can still be high if full land and facility costs are included in the project, and the projects that have been built do not begin to meet the demand.

UNDERUTILIZED PHYSICAL ASSETS

At the same time, one can find underutilized land and buildings in most developed communities. Astute owners and managers of these assets realize that converting them to new uses may produce greater long-term financial return as well as benefit more people. If underutilized real property is owned by an institution with interests in social justice and the well being of lower income citizens, a significant opportunity exists to create this kind of multiple benefit.

USING LAND AND GRANTS TO MEET A NEED

The Archdiocese of Washington, under the leadership of Cardinal Hickey, has organized a concerted effort to utilize some of its assets and available public subsidies to create more affordable housing for some of society's most vulnerable citizens. Early activities are building upon a successful model of sheltered housing for the frail elderly begun by church-affiliated Victory Housing in 1979. The new enterprise—still called Victory Housing but with a new board of highly experienced development professionals—is aggressively seeking out more opportunities to combine parish land with government grants to create new housing and care facilities

for the frail elderly and for other vulnerable populations in the Maryland suburbs.

Although a nonprofit corporation with a public purpose, Victory Housing intends to sustain the newly reconstituted organization on project fees and income. Directors intend to concentrate on projects that are made economically feasible by major government grants, access to inexpensive land and buildings, and the inclusion of market-rate elements where necessary.

The initial Victory Housing team has clearly shown that a dedicated church-based group can use these ingredients to create sheltered housing that is of high quality and is affordable and self-supporting. The combination of this model, a highly experienced board of directors, and a strong Archdiocese commitment offers the exciting prospect of a significant increase in the amount of local affordable housing and elder care facilities needed by the rapidly growing elderly population in the years ahead.

PROGRAM DEVELOPMENT

SEEKING TO PROVIDE AFFORDABLE CARE FOR THE ELDERLY

The elder care program of Victory Housing began in 1979, under the leadership of Monseigneur Ralph Kuehner. Four Montgomery County parish social concerns committees became interested in providing sheltered housing for the elderly in an affordable, home-like setting. The first initiative of the group—a facility built on land given by a Bethesda parish—could not attract the financing needed for a subsidized facility and evolved into a moderately priced retirement home. Victory Housing nevertheless gained some valuable experience with this project and clarified its goals for the future.

ESTABLISHING MARY'S HOUSE

In 1983 an opportunity to provide affordable housing for the elderly arose in partnership with St. Mary's Parish in the heart of Rockville. A convent on the second floor of the church school was made available for other uses, and in less than two years of planning with the parish council and fund-raising from government and private sources, Mary's House was opened for fifteen frail eld-

erly residents in a remodeled, comfortable, home-like facility. The selection of residents with low to moderate incomes enabled Victory Housing leaders to use Federal, Maryland, Montgomery County, and Rockville city funds for development and operating subsidies (see Directory entry on Mary's House). The pioneering facility, under the leadership of Jean Brady, then Victory Housing's executive director, has operated "in the black" since opening in 1985 and has effectively demonstrated a model for using a gift of church property to leverage government and congregational funding for needed housing and related services for the frail elderly.

THE MARY'S HOUSE MODEL HELPS OTHERS

Victory Housing's success with Mary's House led to the opening, in 1988, of a second house for senior citizens in Clarksburg in upper Montgomery County. Kuehner House, named for the organization's mentor and then-president of its board, houses five frail elderly individuals in a four-bedroom home provided rent free by Montgomery County. After some early changes in

staff, Kuehner House has operated satisfactorily and is now on a self-supporting basis. Victory Housing and Jean Brady are also credited by leaders of Rockville's St. Mark's Presbyterian Church with providing substantial help in planning and funding their St. Mark House, a sheltered housing facility based on the Mary's House model, in 1987 and 1988.

Victory Housing's growing reputation in the field of affordable housing for the frail elderly led the St. Raphael's Parish Council in 1987 to invite the organization to help them plan a development on parish land in Rockville. After two years of careful planning and design, the St. Raphael's project has the necessary funding commitments for two linked 15-unit facilities for the frail elderly and plans to start construction in the near future.

INITIATING AN ARCHDIOCESE-LEVEL EFFORT

This successful Victory Housing experience with sheltered housing for the elderly, combined with the realization that the Church was already heavily committed to shelters for the homeless throughout the Archdiocese, led Cardinal Hickey and his advisors to consider an expansion of their efforts in support of affordable housing. In 1988 the Cardinal invited Jack Griffin, a prominent Maryland developer, to bring the housing missions of Victory Housing and of the Associated Catholic Charities together under the canonical umbrella of the Archdiocese. Though the consolidated enterprise was to continue as a separate 501-c-3 tax-exempt organization under the name of Victory Housing, it would act on behalf of the Archdiocese to develop surplus church and other available properties to fit social needs and market realities.

Griffin assembled a board of directors in late 1988 that included nine lay leaders with successful experience in the real estate industry and two church officials with responsibilities for pastoral social concerns. The new directors of the reconstituted Victory Housing saw the enterprise as a volunteer effort until housing development projects were underway and generating fee income for the corporation. New board members have not only volunteered their time but provided seed capital for project planning activities, covering the out-of-pocket costs of feasibility studies and other pre-development work. Charles Barrett, a local architect, has acted as executive director during the new board's start-up period, working to integrate the existing Victory Housing operation with the new board's activities.

A YEAR OF PLANNING AND ACCOMPLISHMENT

Despite the absence of a paid staff and substantial operating capital, the new development team has had a busy first year. It has been awarded \$3.25 million in HUD financing with Section 8 subsidies to support the development of 62 units of independent elderly housing in Prince Georges County. The new team has also brought under its umbrella an Associated Catholic Charities housing project called Rollingcrest Commons that was already under development when Victory Housing was reformed. The Catholic Charities project, scheduled to be completed in January 1990, features rental units at rates between \$250 and \$550 per month as a result of the use of parish land and local housing authority funds.

Victory Housing leaders are currently reviewing the organization of the elements of their housing program to de-

termine how they might best work together on future opportunities. But with the expertise of the board and the management teams of the predecessor organizations, it seems clear that Victory

Housing can be a major provider of affordable housing in Washington D.C. and the Maryland suburbs in years to come.

PROGRAM ORGANIZATION AND OPERATION

TWO OPERATIONS UNDER A CANONICAL UMBRELLA

Victory Housing is currently operated as a team of two distinct organizations within a single nonprofit corporation. The pre-existing elder care services arm is managed by Jean Brady, whose team manages Mary's House and Kuehner House and consists of a staff of seven day-time, and three evening, personnel. The development group is coordinated by Charles Barrett, who hired his first staff member in October of this year. Both groups are directed by the eleven-person board, headed by Jack Griffin. Archdiocese interests are conveyed by the head of the Pastoral Office of Social Concerns, by the head of Catholic Charities, and by Cardinal Hickey himself.

THE HOUSING PROGRAM AS A SELF-SUPPORTING ENTERPRISE

The reconstituted Victory Housing is guided by the goal of producing affordable housing, using available resources of church property and government funds, at a level of activity sufficient to

support the venture at minimal risk to the corporation. Housing for low-income people is of major concern, but directors plan projects so as to be economically feasible with the resources available, and a mix of subsidized and market-rate housing units is one of the techniques used to create a feasible project able to attract development financing.

Victory Housing leadership has found that a practical way to come up with projects is to ask county and state officials what kinds of affordable housing projects they want and what funding they have to support these projects. Sheltered housing for the frail elderly, for instance, can be supported with Federal funds (CDBG and Section 202) and state and county money for construction and rehabilitation and with Montgomery County Rental Assistance Program funds and with state and county sheltered housing subsidies for operations. In all cases, Victory Housing acts as the entrepreneur for the project, identifying the property to be developed and bringing together the funding and expertise to develop it.

PROGRAM RESOURCES

AN ABUNDANCE OF DEVELOPMENT RESOURCES

The newly reconstituted Victory Housing possesses several resources to bring to the task of developing affordable housing. Arguably the most significant is the expertise in successful

project design and development that is possessed by both the professional developer/builders on the board and the elder care team at Mary's House and Kuehner House. The sizeable inventory of relatively undeveloped or underutilized land and buildings under the con-

trol of local Catholic parishes is another major resource to the enterprise. Neither the Cardinal nor parish priests want to sell church land or other property, but the conversion into "higher and better" uses of Church property that is leased at low rates for 55 to 75 years is seen as prudent stewardship of Church resources. Public officials have been attracted by this private investment; they have helped identify a number of government grants and subsidies for use in housing projects that benefit both the frail elderly and the low-income populations. Finally, the personal financial resources of the corporate directors have already been a resource in the start-up of the expanded affordable housing operation.

LEVERAGING PUBLIC FUNDS

The combination of these different elements can create a powerful force for the creation of affordable housing. The development budget of the planned facility for 30 frail and elderly citizens at St. Raphael's Parish offers an instructive example. Three acres of parish land has been made available under long-term lease for the project. This private contribution has leveraged \$2.15 million in government funds, including \$10,000 in Maryland planning grants, \$800,000 in Montgomery County construction grants, \$55,000 in CDBG funds, \$150,000 in grant funds from Rockville, and \$1,000,000 in the form of a 30 year, 3% loan from the state. The project qualifies for these funds because of the economic profile of prospective residents—the loan will be committed, for instance, because more than half the residents will earn less than 60% of the median area income. Once the project is completed, operating revenues may be subsidized by rent subsidies for some of

the residents and by sheltered housing subsidies from the Maryland Office On Aging.

FUNDING FROM OPERATIONS AND DIRECTOR CONTRIBUTIONS

The experience of Victory Housing's elderly housing group suggests that church-based groups are fully capable of successfully managing sheltered housing operations. The combined annual operating budgets of the two houses already in operation is just over \$300,000, and the facilities are covering their operating budgets with a mix of resident fees, sheltered housing subsidies, and rental assistance subsidies. Turnover is low, and staff and volunteers express a high degree of satisfaction with their work.

The newer property development operation is not yet supporting itself with project fees, but the level of development activity needed to sustain this function—development fees on \$5.0 million in construction projects each year would generate about \$250,000 for its budget—appears to be attainable in suburban Maryland's housing market. First year expenses for the new development enterprise were about \$125,000, funded by the Archdiocese and by members of the board of directors. Much of this money has gone for the expenses of feasibility studies related to potential housing projects. Executive director Barrett also cites the value of the pro bono time that directors have given to project planning and analysis as a significant contribution to the enterprise; about \$100,000 of such time has been estimated as in-kind services to date.

PROGRAM IMPACT

AFFORDABLE HOUSING FOR THE FRAIL AND ELDERLY AND THE LOW- INCOME

Victory Housing and its predecessor organizations have made several types of impact to date. Most significantly, the original entity has provided high-quality sheltered housing for over 20 frail and elderly citizens in two self-supporting facilities, creating a model of public-private partnership that has attracted favorable attention throughout the nation. The new board-led develop-

ment team has already lined up \$3.25 million in grants and public financing for a major sheltered housing project and has begun to identify opportunities and establish alliances for other affordable housing projects as well. The organization and consolidation of the several program elements is still taking place, but Victory Housing appears to have the potential for making truly significant impacts on the suburban Maryland market for affordable housing.

PROGRAM REPLICATION

THE BENEFITS OF CONCERTED ACTION

The denominationally coordinated approach to affordable housing development is not well suited to religious denominations less centralized than the Catholic Church. Yet many of the faith-based affordable housing initiatives in existence today are very small, operating at levels well below that required to gain credibility and to attract the experienced personnel, government grants, and "social investments" frequently needed for truly significant housing production. Congregations in the less centralized denominations may be able to come together in other combinations that effectively use knowledgeable, experienced people in the housing development field. Faith coalitions organized around similar geographic or client interests, for instance, may be able to marshal expertise, obtain development benefits (e.g., government funding), and achieve operating efficiencies by combining forces for a common purpose.

CAPITALIZE ON AVAILABLE RESOURCES

As congregations come together in this fashion, they may benefit from several of the lessons from the Victory Housing experience:

- * State and local governments are frequently looking for competent non-profit development enterprises to act as the entrepreneur for the production of housing to meet public needs

- * Much affordable housing can be created in mixed-income developments and facilities that meet well-established tests of economic feasibility if available public resources and congregational energy are used efficiently

- * Capable and helpful technical assistance is frequently available from state and county housing agencies to help congregational mission groups that possess valuable assets for development but lack experience in planning the project and putting the pieces together.

FOR MORE INFORMATION CONTACT:

Victory Housing, Inc.
3 Bethesda Metro
Center
Suite #750
Bethesda, MD 20814
(301) 961-1986

Capitol Hill Housing Improvement Partnership

WASHINGTON, D.C.

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An Interfaith Neighborhood Housing Renovation Model

THE MODEL AND ITS SETTING

NEIGHBORHOOD GENTRIFICATION CAUSES COMMUNITY DISPLACEMENT

Many D.C.-area neighborhoods that suffer from physical blight and social stress retain their attractive housing and locational features. Many of these areas have experienced a surge of new investment in recent years as new investors and residents have capitalized on relatively low prices in such neighborhoods, beginning a process of physical improvement, economic stimulus, and price inflation that has come to be known as “gentrification.” An unfortunate by-product of the gentrification process, however, is the displacement of longtime neighborhood residents unprotected by home ownership or earning power. Needed to counteract the powerful forces associated with this process is an aggressive community-responsive program of counseling for current residents, organizing people and resources for action, and property control and development.

A CHURCH COALITION FORMS A “GRASS-ROOTS” RESPONSE

A coalition of neighborhood churches with strong ties to the various elements of the community can be an effective vehicle for mounting such a program. The Capitol Hill Housing Improvement Partnership (CHHIP), an interfaith coalition of seven churches east of the Capitol, has used this model to create several block associations, to educate citizen activists about housing opportunities, and to create six units of affordable family-sized housing in its first three years of operation. CHHIP has evolved as a true grass-roots enterprise, with a high proportion of volunteers to paid staff, both within the program and in its allied block associations. The organization has been relatively effective in acquiring abandoned and low-cost houses and raising private capital for renovation of such properties. It is premature to assess long-term program impacts on home ownership and displacement, but the framework of church leadership, community organization, resource alliances, and volunteer energy is in place and focused on stabilizing selected sections of the neighborhoods served.

PROGRAM DEVELOPMENT***RAPID INCREASE IN HOUSING COSTS
STIMULATES ACTION***

In the late '70s and the '80s the spiraling costs of housing and increases in rents were clearly threatening the ability of long-time residents to stay in their Capitol Hill communities. Average prices for a single-family home in Square 1036, for instance, rose from \$39,500 in 1974 to \$162,922 today; most lenders would require an annual income of at least \$50,000 to finance the purchase of such a house, yet the median household income in the neighborhood's Ward 6 in 1985 was \$17,642.

To address this problem, Fathers Ray Kemp and Ray East of Holy Comforter-St. Cyprian Catholic Church formed CHHIP as an affordable housing development vehicle in 1986. Following a successful kickoff fund-raiser hosted by the Mayor and City Council Chairman, the organization was expanded to include six additional predominantly black Capitol Hill congregations of several denominations, providing additional access to neighborhoods and volunteers important to the workings of the program. Following incorporation as a nonprofit entity controlled by the partner churches, CHHIP began to acquire resources and design its program.

***LEARNING ABOUT PUBLIC
PROGRAMS AND LINING UP
RESOURCES***

CHHIP's first months were spent in education: learning about public programs available to help non-profit housing groups, about the resources of expertise and capital necessary to acquire and renovate housing units, and about how to organize and work effectively with neighborhood citizens. It quickly

became apparent, for instance, that the city's Housing Purchase Assistance Program (HPAP) could play a large part in CHHIP's plans, and program leadership needed to become thoroughly familiar with this important mortgage subsidy program. Similarly, the Home-site program for increasing the availability of mortgage credit for CHHIP-targeted home buyers promised to aid the marketing of units that CHHIP could produce. Board and staff members also gave early attention to identifying members of individual congregations who could volunteer to help in property selection and purchase, project feasibility assessment, and contract closings, thereby saving program funds.

Much of the early effort of Father Kemp and other well-contacted program leaders was devoted to lining up operating funds and capital needed to acquire and renovate housing suitable for CHHIP's stabilization program. Part of the solution was (and continues to be) generous in-kind support from the member churches. On the capital side, several non-member churches and an area builder committed more than \$250,000 in loans for acquisition and renovation of the first three properties. CHHIP expects to attract more financial support as these first properties complete the improvement cycle and these construction loans are repaid with long-term mortgage loans.

BUILDING THE FOUNDATION

Much of the remaining program development activity went into the development of the grass-roots elements of the program. CHHIP leaders viewed neighborhood block associations as a particularly important part of the pro-

gram structure —helping to solve landlord-tenant and other frequent housing problems, providing forums for sharing information about resources and assistance sources, identifying attractive properties for improvement, and gener-

ally ensuring the community-based character of the enterprise. These associations have also provided a natural vehicle for the conduct of informational forums and tenant advocacy activities.

PROGRAM ORGANIZATION AND OPERATION

DRAWING STRENGTH FROM COALITION DIVERSITY

The central basis of the CHHIP organization is the partnership among several Capitol Hill churches. The congregations of these seven churches embrace a diverse group of long-time neighborhood residents, many at risk from the gentrification taking place in the area, and of relatively new and affluent residents. The church partnership is formalized in the board of directors, with at least one director from each church and from the Capitol Hill Group Ministries. The current board consists of a mix of long-time neighborhood residents with demonstrated leadership skills, residents with expertise in financial, real estate, and legal fields, and church religious leaders. The board meets monthly to review and direct CHHIP program activities, to select and structure housing projects, and to set and revise organizational policy.

CHHIP has never had a sizable paid staff and is unlikely to in the future, given both the limitations on administrative funding and the grass-roots nature of the program. Key staff roles include community organization, social work, housing development, and administrative activity. The part-time staff is headed by Peter Clare, a lawyer with property development experience who also works with ARCH Housing. Vincent Ventimiglia Jr., a Georgetown

University law student, acts as program director and lead housing counselor.

A RICH MIX OF VOLUNTEER SKILLS

The board and staff work with 10 to 15 volunteers to conduct most of the neighborhood-based program activities. These local residents provide professional expertise (title work, legal and financial services, newsletter preparation) as well as community organizing skills. They do most of the initial identification and screening of property development opportunities. The block associations, though technically independent grass-roots organizations, are also an integral part of CHHIP's program and are an important source of information about service and development opportunities and of energy for capitalizing on them. Other volunteers assist with specialized services and with housing acquisition, renovation, and sales.



PROGRAM RESOURCES***BUILDING THE ORGANIZATION
AROUND SKILLED VOLUNTEERS***

The principal resources of the CHHIP program, as it so often is with church-sponsored projects, are the people who give it vision and life. With the exception of two part-time staffers, all these human resources are volunteers—board members, community activists, block association members, and real estate and property specialists in the partner congregations. CHHIP has found it to be desirable, however, to rely on professionals for construction management services.

***MEMBERS AND FRIENDS PROVIDE
ADMINISTRATIVE FUNDING AND
“IN-KIND” SUPPORT***

Other resources important to CHHIP include the institutional allies of the program. The partner churches have provided a variety of in-kind support, including office space (at Holy Comforter-St. Cyprian), computer time, meeting space, and photocopying support. Two churches have also given modest amounts of money toward the administrative costs of the organization, currently less than \$10,000 per year. Other institutions—a local university, a builder, several non-member

churches, and a national non-profit development enterprise—have joined numerous private donors in providing administrative funding.

***SHORT-TERM LOANS PROVIDE
DEVELOPMENT CAPITAL***

Also important to CHHIP are the resources of capital and real property that fuel its housing development program. The subsidized permanent financing programs described earlier—HPAP and Homesite—are proving helpful to targeted buyers of CHHIP-produced housing. The use for development of donated shells and of buildings that HUD has repossessed also helps to keep acquisition costs down. CHHIP leaders must still raise the funds, however, to be used in the renovation of these properties into decent family homes. Fortunately, many of the same institutions that have contributed money for administrative costs have been helpful with capital funds as well. Several short-term acquisition and construction loans at near-market rates have financed this work on the first three properties. These construction loans are repaid with the proceeds of permanent mortgages at the time of sale.

PROGRAM IMPACT***BENEFITS FOR OWNERS
AND TENANTS***

In less than three years CHHIP leaders have established a viable, cost-effective interfaith program for combating neighborhood displacement through the rehab and sale of run-down properties to targeted families. Program impacts can already be seen by the six

families now living in the first two structures that CHHIP has remodeled and enlarged. CHHIP staff and volunteers have created other impacts as well, however. Active advocacy of the city's Tenant Assistance Program (TAP) with area landlords has enlarged the number of affordable apartments in the served areas of Capitol Hill. Knowledge about

such issues as real property tax reductions for seniors has increased as a result of CHHIP-sponsored community forums.

Individuals have also benefited from CHHIP intervention in foreclosure and tenants' rights issues. An older woman whose long-time home was about to be sold, for instance, was enabled to stay by CHHIP's purchase of the house as a tenant-in-common with the woman and the subsequent renovation and expansion of the building into a duplex.

ESTABLISHING A FRAMEWORK FOR VIABILITY AND GROWTH

CHHIP leaders cite the manner in which the various elements of their program reinforce each other as one of the key features of their model. Effective advocacy, organizing, and service lead to citizen support and help to iden-

tify properties for development. Efficient rehabilitation of these structures and sale to the families being served by the program, in turn, leads to more energy and enthusiasm at the community level. And private and institutional benefactors, seeing their loans repaid and contributions well used, are inclined to continue and expand their support.

CHHIP is still too young for an evaluation of its effectiveness at stabilizing the neighborhoods served by the participating churches. The framework that has been established, however, gives promise of effectively converting run-down neighborhood housing into truly affordable homes and of sustaining itself with local volunteers and social investors in the process. The model appears to offer congregations facing similar circumstances a practical guide to effective action.

PROGRAM REPLICATION

BUILDING IN "GRASS ROOTS" COMMUNITY SUPPORT

The operation of the CHHIP program requires a wide variety of volunteer participants, from block association members to private lenders, in order to be effective. In order to obtain the commitments of these individuals, the program must offer a range of appeals as well. For this reason, CHHIP has been careful to address the immediate needs of its neighbors for information about tenant rights and property tax relief while building the capability for self-sustaining housing development to benefit the community in the longer term. The continued growth of the enterprise depends upon the satisfaction of all of the partners in the interlocking program framework.

CHHIP is yet another example of the

ability of a coalition of congregations, faced with a common problem in a specific neighborhood, to make common cause for meeting it. A challenge too large for one church becomes more manageable when addressed by a group of complementary institutions with common purposes. Other neighborhoods under stress from gentrification may find the CHHIP model to be an instructive paradigm.

FOR MORE INFORMATION CONTACT:

Vince Ventimiglia
Program Director
Holy Comforter-St. Cyprian Church
1357 E. Capitol Street, S.E.
Washington D.C. 20003
(202) 546-1885

Members of CHHIP:

Brown Memorial
AME Church
Holy Comforter-
St. Cyprian Catholic
Church
Lane Memorial CME
Church
Pilgrim AME Church
St. Monica's Episcopal
Church
St. Teresa of Avila
Church
Capitol Hill Group
Ministries



DIRECTORY

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Church-Sponsored Affordable Housing Programs in the Washington, D.C. Area

• SINGLE CONGREGATION, TRANSITIONAL HOUSING •

COMMUNITY INDEPENDENCE PROGRAM (CIP)

Washington, D.C.

CO-SPONSORS: For Love Of Children (FLOC) and Fifteenth Street Presbyterian Church

TYPE: Supported group living for young men moving from foster care.

CLIENTELE: Four young men, 18 to 21 years of age, who have a job or are still in school and who demonstrate aptitude for independent living

SERVICES: The FLOC program staff provides the residents with room, board, and training in independent living skills in a four-bedroom house owned by the church.

RESOURCES: The program is managed and conducted by the CIP. One of the program staff lives in the group home and supervises the residents. Other CIP staff members and staff of FLOC's Community Adventure Program and Outdoor Wilderness Program also help residents gain independent living skills. The church contributes a large house to the program at a below-market rental rate. The D.C. Department of Human Services and the Child and Family Services Agency provide some funding for the program.

FUNDING: FLOC and the D.C. agencies provide the bulk of the program's funding. The Community Independence Program pays the Fifteenth Street Presbyterian Church about \$400 per month in rent.

MILESTONES: Program begins in December 1989.

CONTACT: Darrell McNealy (202) 462-8686 (off)
(202) 387-8615 (hse)

GLYNN'S HOUSE

Silver Spring, MD

SPONSOR: Silver Spring Presbyterian Church, through its SSPC Housing Corporation

TYPE: Transitional family housing

CLIENTELE: Families in need of low-cost housing for short-term crisis resolution

SERVICE: Glynn's House provides a very low-cost house for a needy family for up to 6 months. A congregational sponsor supports the family and helps it to find and move to more permanent housing when ready. A resident manager maintains the house for tenants and the congregation.

RESOURCES: The house in Silver Spring was donated to the congregation by a member. Other resources include the resident manager, who lives in an apartment in the house, and congregation members who sponsor individual families, guaranteeing their rent and giving them support.

FUNDING: The house is owned outright by the Church. Rent is set at a level that is affordable to each family and is used for property-related expenses.

MILESTONES: Opened in 1988

CONTACTS: Jo Crichton (301) 439-4268
Silver Spring Presbyterian Church
(301) 439-4646

SAMARITAN INNS

Washington, D.C.

SPONSOR: Church of the Saviour

TYPE: Transitional housing for homeless men and women

CLIENTELE: Homeless men, in two inns, and pregnant women and babies in the third

SERVICES: Samaritan Inns provides transitional housing for 19 men and 14 women and babies at nominal rents and, through coordination with affiliated agencies, comprehensive counseling and support for a return to self-sufficiency. In-coming residents enter into contracts with Inn staff for achievement of jointly established goals for self-improvement.

DIRECTORY



RESOURCES: Inns are staffed by resident managers and supported by social workers. The mission group of Church of the Saviour continues to provide policy guidance and spiritual support through the board of this independent corporation. Jubilee Jobs, Christ House, NW Pregnancy Center, and other affiliated agencies provide a "system" for integrated program support.

FUNDING: The annual budget is currently \$300,000. Most funding comes from corporate and foundation grants, with sizeable contributions from individuals and a small contribution from the original sponsor. About \$40,000 is provided by resident rents, set at \$200 per month for men and \$168 for women able to pay.

MILESTONES: First Inn opened in 1985; 86-room single room occupancy facility scheduled to open in December 1990.

CONTACT: David Erickson (202) 667-8831

SARAH HOUSE

Washington, D.C.

SPONSOR: Luther Place Shelter Ministries

TYPE: Transitional night shelter

CLIENTELE: Homeless women ready to move on toward independent living

SERVICES: Sarah House provides overnight housing, meals, case management, life skills workshops, medical/psychological referrals, and group meetings. There is no strict limit as to how long any of the twelve guests may live at Sarah House, but generally they stay for three to six months.

RESOURCES: The house is owned by Luther Place Shelter Ministries, which also provides a part-time director, two evening coordinators, and part-time case management support. Volunteers build relationships with the residents and staff overnight shifts.

FUNDING: The annual budget of about \$72,000 comes from Luther Place Ministry's general operating budget and a Federal Emergency Management Agency grant which covers groceries and supplies.

MILESTONES: Sarah House opened in 1979

CONTACT: Cathy Jenny (202) 232-6167

SHELTER HOUSE

Falls Church, VA

SPONSOR: Arlington Baptist Church and others

TYPE: Support for transition from shelter through family "adoption"

CLIENTELE: Families living in Shelter House's emergency shelter who are seeking to return to independent living

SERVICES: Shelter House's Adopt-A-Family program is designed to provide extra support and mentoring to currently sheltered families. Churches and other groups "adopt" a family and help with finances, child care, food, employment guidance, and related services prior to and during the transition.

RESOURCES: Seven different church and ecumenical groups play a major role in the operation of Shelter House programs, providing board members, volunteers, and funding for this independent nonprofit organization. The Fairfax County Department of Human Development has helped select and counsel families in the program.

FUNDING: Adopt-A-Family sponsors such as Arlington Baptist Church and Immanuel Presbyterian Church usually defray all the (modest) costs of sponsorship.

MILESTONES: Began in 1985

CONTACT: Glynda M. Hall (703) 536-2155

SUSANNA WESLEY HOUSE (SWH)

Washington, D.C.

SPONSOR: Foundry United Methodist Church

TYPE: Transitional housing for women ready for group living

CLIENTELE: Four formerly homeless women who have "graduated" from shelter development programs such as those of New Endeavors by Women (NEW) and Sarah's House

SERVICES: The clients are provided with below-market rental housing in a group home in NE Washington D.C., paying a modest program fee to the church-controlled corporate owner (SWH) for mortgage payments and other expenses. Residents also receive some continuing counseling and support from NEW.

RESOURCES: The Homeless Mission Group of the church is the major resource for the home. The group selected and financed the purchase of the home and manages the program for the benefit of its residents. Other congregation members have provided loans and gifts for the house as well. NEW provides continuing support for the resident women.

DIRECTORY

FUNDING: Financing for the purchase of the house came from member loans, most at below-market rates, from a second trust held by the former owner, and from the Washington Area Community Investment Fund. Resident fee payments cover the bulk of mortgage and other expenses.

MILESTONES: Purchased in August 1989, occupied in October

CONTACTS: Homeless Mission Group:
Brenda Bickel, (202) 424-0656
Ray Brill, (703) 847-6790
Michael Koob, (202) 337-3718

• DENOMINATIONAL, TRANSITIONAL HOUSING •

ANDREW HOUSE

Washington, D.C.

SPONSORS: Robert Pierre Johnson Housing Development Corporation (RPJ) and Presbyterian Urban Ministry

TYPE: Transitional housing in a group home

CLIENTELE: Single homeless men

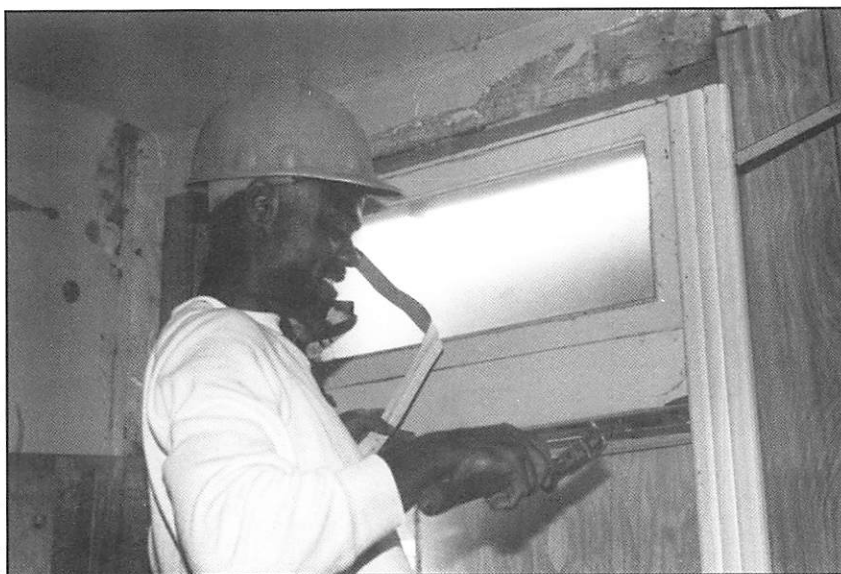
SERVICES: Andrew House provides one year of housing in single rooms for 6 men. A social worker makes weekly visits to the house. The residents also have weekly house meetings.

RESOURCES: RPJ and an Andrew House Council made up of church representatives administer the house. A stipended house coordinator lives at the house and one of the residents is under contract to work as assistant manager. The social worker, hired by the D.C. Downtown Cluster of Congregations, works for Andrew House for a fee.

FUNDING: The \$24,000 annual budget is supplied by rents from residents (40 percent) and contributions from churches and other institutions (60 percent).

MILESTONES: Opened in December 1985

CONTACT: Cynthia Clarke (703) 528-5606



to enhance the child/parent relationship; and links to health clinics and substance abuse programs.

RESOURCES: St. Martin's House is administered jointly by the staff at Mt. Carmel House and St. Martin's House under the general supervision of Associated Catholic Charities. The staff consists of in-house managers, a social worker, a parent educator, and a substance abuse counselor. A pediatrician is on call. Volunteer mentor families work with each participant. Other volunteers provide additional program support. A professional Advisory Council made up of psychiatrists and experts in child development evaluates the progress of the program at quarterly intervals.

FUNDING: Rehabilitating St. Martin's facility cost \$40,000 and another \$50,000 was spent on start-up costs (telephones, appliances, furniture). The annual operating budget is expected to be about \$250,000. Funding comes from the Federal Emergency Management Agency, private foundations, Associated Catholic Charities, and gifts from Catholic parishes.

MILESTONES: Will open in January 1990

CONTACT: Sister Rosa Alvarez (202) 289-6315

ST. MARTIN'S HOUSE

Washington, D.C.

SPONSOR: Mt. Carmel House

TYPE: Transitional family housing

CLIENTELE: Twelve homeless women with their children

SERVICES: St. Martin's House provides a year of transitional housing with one year of follow-up counseling; one-to-one counseling with a social worker, parent educator, and substance abuse counselor; classes in career development, housing options, and budgeting; regular support group meetings involving all the residents; organized free-time activities

DIRECTORY

• INTERFAITH, TRANSITIONAL HOUSING •

DWELLING PLACE

Washington, D.C.

SPONSOR: So Others Might Eat (SOME)

TYPE: Transitional housing for the elderly

CLIENTELE: Abused and financially exploited senior citizens

SERVICES: Dwelling Place has a capacity of 7 residents. It provides three months of housing (more in certain cases), meals, placement service, counseling, and 24-hour staff supervision.

RESOURCES: The house is rented from St. Xavier's Catholic Church. SOME provides medical care, administrative support, and ten staff persons, one of whom is a social worker. Volunteers prepare meals, assist in household work, and visit with the guests.

FUNDING: The annual budget of \$110,000 comes from the D.C. Office on the Aging (95 percent), with additional support from SOME's operating budget. Tenants pay no rent or fees.

MILESTONES: Opened in August 1986

CONTACT: Sister Mary Griffin (202) 797-8806

JOSHUA HOUSE

Washington, D.C.

SPONSOR: So Others Might Eat (SOME)

TYPE: Transitional housing with intensive job training

CLIENTELE: Homeless men referred by substance abuse treatment centers or homeless service providers

SERVICES: Joshua House provides 13 weeks of housing and meals for 12 men. Counseling focuses on substance abuse issues, job preparation and search, permanent housing arrangements, and self-sufficiency skills. Residents find a job while in the program and save money for long-term housing. There is a 6-week follow-up program for those who have completed the 13-week program.

RESOURCES: SOME provides the house. The program is staffed by three full-time counselors, one of whom is a volunteer, two part-time weekend counselors, a cook, and a secretary/receptionist. Volunteers tutor the residents, provide some meals, and take residents on outings.

FUNDING: A federal Job Training Partnership Act grant comes through the D.C. Department of Employment Services and makes up 56 percent of the budget. The remainder comes from the United Way and general contributions.

MILESTONES: Opened in July 1988

CONTACT: Tom Taylor (202) 328-0802

MARY HOUSE

Washington, D.C.

SPONSOR: Independent corporation supported by various churches in the metro area.

TYPE: Long-term transitional or permanent housing

CLIENTELE: Hispanic families, couples, seniors, and mothers with children

SERVICES: Families live in ten apartments for two or three years. Senior women live permanently in two. Mary House provides case management, referrals for medical care, job placement connections, basic food deliveries, clothing donations, and a savings plan. The staff also runs an advocacy program for pregnant indigent women not living at Mary House.

RESOURCES: Mary House owns 12 apartments in 4 properties, and employs three staff persons for maintenance, renovation, case management, and fund raising. Each of the 12 families or single residents works closely with a volunteer who provides friendship and support.

FUNDING: The houses were purchased with loans and grants from private sources or HUD. In each case, the mortgages are covered by a \$300 per unit rent. The \$100,000 annual operating budget comes from rents and contributions from private foundations, churches, and individuals.

MILESTONES: Opened in 1982 and bought additional property in 1987, 1988, and 1989

CONTACT: Bill or Sharon Murphy (202) 635-0534

SHELTER HOUSE

Falls Church, VA

SPONSOR: Annandale Community of Christians-Jews for Action (ACCA)

TYPE: Transitional housing and support for families

CLIENTELE: Families living in Shelter House's emergency shelter

SERVICES: The new transitional housing program sublets apartments next to the shelter facility to families with the employment potential to eventually move to independent living arrangements.

DIRECTORY

Three families currently participate in the transitional housing program.

RESOURCES: Seven churches and ecumenical groups play a major role in the operation of the Shelter House programs, providing board members, volunteers, and funding for this independent nonprofit organization. In addition, a growing number of corporations are underwriting or contributing to Shelter House programs such as the transitional program.

FUNDING: Major funding for the transitional housing program was received from ACCA (\$18,000) and a private donor. Funds are used to subsidize tenant rent payments in sublet units and for training in independent living.

MILESTONES: Began in 1989

CONTACT: Glynda M. Hall (703) 536-2155

• SINGLE CONGREGATION, PERMANENT HOUSING •

CAROL HOLMES HOUSE

Washington, D.C.

SPONSOR: Luther Place Shelter Ministries

TYPE: Permanent group home

CLIENTELE: Formerly homeless women able to live in a group setting

SERVICES: Carol Holmes House provides housing and support services for eight women.

RESOURCES: The house is rented by Luther Place Shelter Ministries. One resident is contracted to be house manager. A Luther Place staff person makes weekly visits to Carol Holmes House and facilitates a group meeting.

FUNDING: Residents pay a modest rent from their income or benefits, which makes up about 80 percent of the \$23,785 annual budget. The other 20 percent comes from Luther Place Ministry's general operating budget.

MILESTONES: Opened in 1984

CONTACT: Cathy Jenny (202) 232-6167

GOLDEN RULE APARTMENTS

Washington, D.C.

SPONSOR: Bible Way Church

TYPE: Self-sustaining nonprofit permanent housing

CLIENTELE: Low-income families and individuals who meet limits set by HUD for subsidized housing

SERVICES: Golden Rule Apartments has 224 units of low-income housing and a day care center. Management staff makes referrals to social services.

RESOURCES: Bible Way Church owns the apartments and maintains them at a level affordable to low-income tenants. The apartments are managed by a contracted management company.

FUNDING: Tenants contribute 30 percent of their income towards rent and HUD pays the remainder

through the Section 8 program. This generates enough income to cover operating costs.

MILESTONES: Opened in 1972

CONTACT: Carolyn Preston (202) 842-1580

ST. MARK HOUSE

Rockville, MD

SPONSOR: St. Mark's Presbyterian Church

TYPE: Assisted permanent, or sheltered, housing in group home

CLIENTELE: Frail senior citizens from the local community (not St. Mark's Church members) who are mobile and able to afford rent

SERVICES: St. Mark House provides housing, meals, and necessary support services such as bath assistance and housekeeping for the six elderly residents.

RESOURCES: The house is owned by St. Mark Elderly Housing Corporation, a separate but Church-controlled entity. The staff director and small staff are aided by Church volunteers in client care. Victory Housing has been a source of expertise and support to the program from its beginning.

FUNDING: The house was purchased with funds raised from the sale of 7-year notes to members of the congregation. Revenue from rents (\$1350- \$1750) is adequate to cover operating and current financing costs, though not the repayment reserve.

MILESTONES: Opened July 1988; notes balloon in mid-1995

CONTACT: Joy Riser (301) 530-4162

William Reinsch (202) 224-6324

DIRECTORY

WALLENBERG HOUSE

Washington, D.C.

SPONSOR: Luther Place Shelter Ministries

TYPE: Permanent housing in a group home

CLIENTELE: Nine mentally ill elderly women from shelters

SERVICES: Housing in private rooms, meals, case management, supervised individual treatment plans, and group meetings to address concerns of the house.

RESOURCES: Wallenberg House is owned by Luther Place Shelter Ministries, which also provides two

house managers and case management support. Volunteers substitute for the staff and build relationships with the residents.

FUNDING: Residents contribute a monthly maintenance fee of \$170 from their Supplemental Security Income checks. The remainder of the \$23,725 annual budget comes from Luther Place Ministries' general operating budget and a grant from the Federal Emergency Management Agency for groceries and supplies.

MILESTONES: Opened in August 1988

CONTACT: Joanne Sincero (202) 234-0040

• DENOMINATIONAL, PERMANENT HOUSING •

FAMILY UPLIFT PROGRAM

Washington, D.C.

SPONSOR: African Methodist Episcopal Church (Washington Conference)

TYPE: Public-private partnership for placing working homeless families in HUD repos for transition to permanent housing

CLIENTELE: Working families in D.C. shelters with children in school

SERVICES: Selected families are housed in family-sized units rented from HUD by the D.C. government and made habitable by members of AME congregations. Church members provide various support services, such as educational tutoring and home repairs, to assist families to prepare for home ownership and independent living.

RESOURCES: The 56 member congregations of the Washington Conference of the AME Church provide the energy and skills for light repairs on available units and for comprehensive transition support services. HUD makes housing units available for \$1 per year to the D.C. government for program use. The D.C. government "pays" for property taxes, water and sewage during transition.

FUNDING: The financial base of the program is the unused but valuable inventory of HUD properties. The only substantial financial flows are the deposits of 30 percent of each family's income in an escrow account for eventual purchase of the occupied or another unit. Families also pay for utilities other than water and sewage.

MILESTONES: Program opened in fall of 1989

CONTACT: Rev. William Porter (301) 925-9195

Rev. William DeVeaux (202) 331-1426

LINCOLN-WESTMORELAND HOUSING, INC.

Washington, D.C.

SPONSOR: Lincoln Temple United Church of Christ and Westmoreland United Church of Christ

TYPE: Nonprofit housing corporation for low-income tenants

CLIENTELE: Low-income families and individuals

SERVICES: Lincoln-Westmoreland consists of 230 low-income housing units for those who cannot afford market rates. There are social programs and outreach for youth and senior citizens.

RESOURCES: The corporation owns and administers two housing complexes—a highrise and a set of garden apartments—with the help of a contracted management corporation. As part of its contract, the management corporation runs a community room, providing recreation and social opportunities. Volunteers from Community Ministry of the churches, the Doug Williams Foundation, and CARE help with social, recreational, and outreach programs.

FUNDING: The housing was constructed with seed money from the Board of Homeland Missions of the United Church of Christ and loans from HUD. Currently the apartments are self-supporting, with tenants paying rent that is subsidized by the D.C. Tenant Assistance Program. The corporation's board consists of volunteers elected by the two sponsoring churches.

MILESTONES: Built and opened in the early 1970s

CONTACT: Rev. Steven Taylor (202) 576-2335

MARY'S HOUSE

Rockville, MD

SPONSOR: Victory Housing, a housing program of the Catholic Archdiocese

TYPE: Long-term housing and personal care in group home

CLIENTELE: Elderly community residents needing personal care; about half are low- to moderate-income citizens

SERVICES: Mary's House provides group housing, meals, and personal assistance for the 15 residents of the group home.

RESOURCES: The group home was created from a convent given to Victory Housing by the Archdiocese. The Mary's House staff is assisted with patient care by local church volunteers. As a public-private partnership, the program qualified for Rockville City funding, County Housing Department expertise, and CDBG grants from the State during development. Area merchants have also been very helpful in the building and furnishing of the home.

FUNDING: About \$30,000 of local church funding for remodeling has leveraged \$26,500 from the city and nearly \$250,000 in state block grant funds. Operating costs are fully funded by resident fees and County and State subsidies for the low- to moderate-income residents. Monthly charges currently run about \$1275 per resident.

MILESTONES: Opened in May 1985

CONTACT: Jean Brady (301) 279-2080



RESOURCES: MANNA is providing its development expertise to acquire the unit, rehab it, and manage it during transition. ConServe is selecting the family, with neighborhood (ANC) guidance, and providing family support and a modest rent subsidy. The SE and NW Washington churches will give volunteer labor during rehab and will help ConServe provide transitional support. Long and Foster Realtors is providing project seed capital. The D.C. DHCD is providing a repossessed house on favorable terms to MANNA for the project.

FUNDING: Project seed capital of \$15,000 is being supplied by Long and Foster. Interim monthly rent of \$350 from ConServe and the family will be applied by MANNA to an assumed mortgage and taxes. MANNA will recover its costs from the sale of the building to the new owner. An existing DHCD claim of about \$57,000 will be partially recovered through new permanent financing within eight years and partially waived if the unit is not sold at full market price.

MILESTONES: Rehab work began in November 1989; occupancy set for January 1990

CONTACT: Margot Stone, MANNA (202) 232-2844

1607 U STREET, S.E.

Washington, D.C.

SPONSORS: St. Patrick's Episcopal Church of N.W. Washington and St. Philip the Evangelist Chapel of S.E. Washington

TYPE: Public-private partnership for rehab of unit into permanent housing

CLIENTELE: Homeless family in Southeast Washington demonstrating readiness for transitional support for permanent housing

SERVICES: A partnership of two churches, MANNA, ConServe, Long and Foster Realtors, and the D.C. Government is renovating a unit and housing a lower-income family while helping them prepare for its purchase. MANNA is buying a shell from the D.C. Department of Housing and Community Development (DHCD) and renovating it. ConServe and church volunteers will provide family support during the transition.

WESLEY HOUSING DEVELOPMENT CORPORATION (WHDC)

Alexandria, VA

SPONSOR: Arlington and Alexandria District Conferences of the United Methodist Church

TYPE: Nonprofit housing development

CLIENTELE: Lower income citizens of Northern Virginia

SERVICES: Wesley Housing does construction, reha-

DIRECTORY

bilitation, and enhancement of properties for low- and moderate-income people. Wesley Housing's goals also encompass the maintenance of communities and education of tenants and the public in community citizenship. More than 4,000 people in 728 units have been served. Wesley Housing also provides consultation to other nonprofit developers.

RESOURCES: Each of Wesley Housing's projects is owned and managed by a corporation with a volunteer board. Heavy reliance on volunteers keeps costs low.

FUNDING: WHDC projects are variously funded by grants and loans from HUD (through Fairfax and Arlington Counties), the Commonwealth of Virginia, sponsoring United Methodist churches, individuals, foundations, and businesses. Most projects also utilize limited partnerships with for-profit developers. Some of the projects' tenants receive Section 8 help.

MILESTONES: Wesley Housing was started in 1974 with an apartment complex. There are now eight affiliate corporations:

- Strawbridge Square (1979): 128 town houses and garden apartments
- Mount Pleasant Circle (1981): 13 single family homes
- Knightsbridge Apartments (1981): 37 apartments some serving elderly and handicapped
- Wexford Manor (1982): 74 family apartments
- Seven Corners Apartments (1983): 208 apartments
- Whitefield Commons (1985): 64 apartments for Section 8 rental
- Perry S. Hall (1987): 12 apartments
- Springdale House (1989): 6 private rooms for elderly and handicapped

CONTACT: Barbara Serage (703) 642-3830

• INTERFAITH, PERMANENT HOUSING •

HARVEST HOUSE

Washington, D.C.

SPONSOR: So Others Might Eat (SOME)

TYPE: Permanent housing in a community residence facility (CRF)

CLIENTELE: Low-income senior citizens able to care for themselves

SERVICES: Harvest House provides low-cost housing, free meals, cleaning services, and transportation. A social worker is available twice weekly and there are two live-in staff counselors who can assist at any time.

RESOURCES: Harvest House rents its facility from a Carmelite community. SOME pays for the live-in counselors, a part-time social worker, a full-time cook, and a house manager. Volunteers help with transportation, recreation, and housekeeping.

FUNDING: Private donations and United Way contributions make up about 70 percent of the \$110,000 annual budget. Residents pay rent with the help of their Supplemental Security Income and city supplements. SOME provides free meals.

MILESTONES: Opened in 1979

CONTACT: Sister Mary Griffin (202) 797-8806

INTERFAITH HOUSING MINISTRIES, INC.

Burke, VA

SPONSOR: Ten churches in western Fairfax County

TYPE: Rent subsidy with or without Section 8 assistance

CLIENTELE: Low-income families who cannot afford to pay market rates for rents

SERVICES: Interfaith Housing Ministries gives assistance with rent and support services for three or four families in Fairfax County. A case worker makes monthly visits and does crisis counseling.

RESOURCES: Participating churches form support groups for each of the families. Church members serve on the corporation's board of directors. The Interfaith Housing Ministry works through Project Homes of the Fairfax County Department of Human Development. Project Homes offers support group training, help with the Section 8 process, referrals of tenants, and case workers.

FUNDING: Each of the churches makes an annual contribution of between \$500 and \$1,000 for a total annual budget of about \$10,000. In several cases, tenants receive rent assistance through Section 8.

MILESTONES: Commenced operation in October 1989

CONTACT: Jeanne Kling (703) 737-9255

MONTGOMERY HABITAT FOR HUMANITY, INC.

Montgomery County, MD

SPONSOR: Community Ministry of Montgomery County

TYPE: Interfaith builder/renovator of family homes and provider of interest-free mortgages

CLIENTELE: Lower-income working families who cannot afford market-rate housing in Montgomery County

SERVICES: Habitat acquires land or run-down houses and builds or renovates for family use. Volunteers from 15 congregations in the Community Ministry coalition work with selected families to plan, build, or renovate the home, frequently using donated materials. The families are provided with an interest-free mortgage where necessary to cover the cost of the home.

RESOURCES: Members of congregations in Community Ministry are the major resource. Participants raise funds for acquisition, construction and renovation, and mortgages and perform construction work with family beneficiaries. Area merchants also give supplies and materials.

FUNDING: Approximately \$150,000 in church, business and civic group, and individual contributions has been raised since 1983. The program has no administrative budget and is conducted by volunteers. No-interest mortgage payments are reinvested in new home building activity.

MILESTONES: First 4 houses were renovated in 1984 and 1985; first house built in 1986. Repayments of mortgages on 10 homes expected to create permanent revolving fund.

CONTACT: R. Glynn Mays, Jr. (202) 647-2355 (off), (301) 762-3437 (home)

MONTGOMERY HOUSING PARTNERSHIP (MHP)

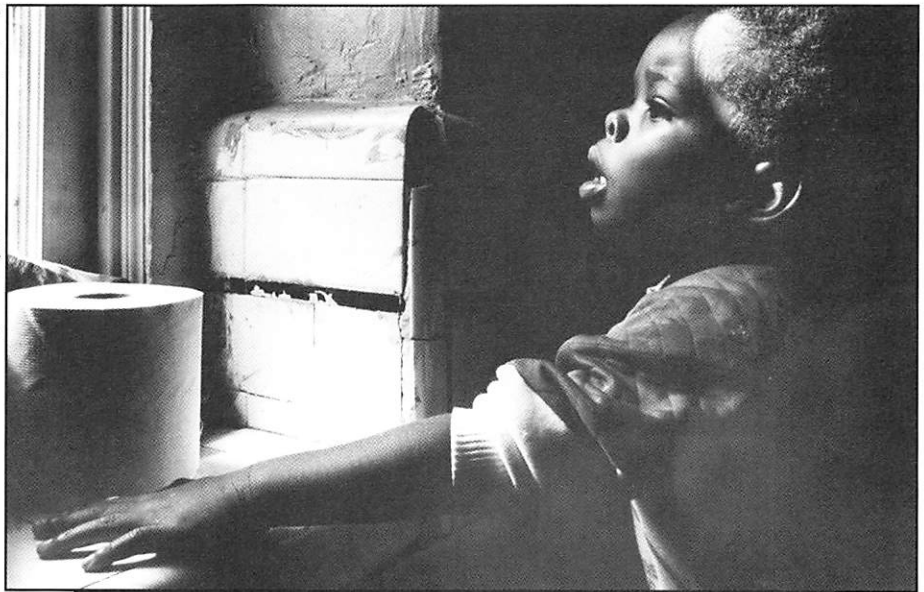
Montgomery County, MD

SPONSOR: Community Ministry of Montgomery County

TYPE: Nonprofit purchaser of MPDUs and developer of affordable permanent housing

CLIENTELE: Working families unable to afford market-rate housing in Montgomery County

SERVICES: MHP buys moderately priced dwelling units (MPDUs) from housing developers under the County set-aside program with the aid of tax-exempt fi-



nancing and grants, ensuring that these moderately priced units are affordable to low-income families in the community. MHP also intends to buy and build other housing suitable for families with this low-cost capital.

RESOURCES: The Montgomery County MPDU program is the major source of properties for MHP. Banks provide tax-exempt long-term financing for home mortgages. Churches and other groups concerned with affordable housing in Montgomery County are providing grants and low-interest loans for the partnership.

FUNDING: Capital and financing is only beginning to be raised for the new partnership.

MILESTONES: Commenced operations in October 1989
CONTACT: Norman Christeller (301) 587-4181, Patricia Heinaman

DIRECTORY

SHALOM HOUSE

Washington, D.C.

SPONSOR: So Others Might Eat (SOME)

TYPE: Permanent low-income housing in a single room occupancy (SRO) building

CLIENTELE: Low-income individuals who are self-sufficient and qualify for the D.C. Tenant Assistance Program (TAP)

SERVICES: Residents live in single room units with shared kitchen space. A case worker is available for one-to-one assistance. There are weekly floor meetings and monthly house meetings.

RESOURCES: The building is owned, staffed, and administered by SOME. Volunteers do light cleaning, desk work, and visit with the residents.

FUNDING: Residents contribute 30 percent of their income towards rent and TAP pays the remainder. It is projected that the rent plus TAP payments will eventually make up 90 percent of the annual budget, which is currently over \$400,000.

MILESTONES: Shalom House was purchased in 1987 and opened in July 1989

CONTACT: Sister Mary Griffin
(202) 797-8806



SOUTH COUNTY HOUSING COALITION (SCHC)

Fairfax County, VA

SPONSOR: Ventures In Community, a coalition of Northern Virginia church groups

TYPE: Interfaith renovator and provider of affordable permanent housing

CLIENTELE: Lower- to moderate-income citizens of Mt. Vernon, Lee, and Springfield neighborhoods

SERVICES: SCHC purchases and renovates single-family and multi-family units in its service area and rents them at below-market rents. It also provides funds for security deposits when needed and gives comprehensive counseling in housing issues.

RESOURCES: Congregational members of SCHC provide contributions and volunteers for property renovation and maintenance. A staff of four conducts most daily activities. Fairfax County provides most of the funds used for the purchase of units and some rehab work. The Federal Government assists through McKinney Act grants.

FUNDING: Approximately \$115,000 of Fairfax County grants have gone into down payments for 11 housing units to date; \$200,000 more (from the County Housing Trust Fund) was received in late 1989 for more units. Administration and housing counseling activity is supported largely by County funds as well. SCHC has raised over \$75,000 in private donations to date.

MILESTONES: First housing unit purchased in November 1987

CONTACT: John Walker (703) 799-7266

RESOURCE PROFILES

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PRIVATE NONPROFIT

MANNA

Washington, D.C.

A Nonprofit Partner In Affordable Housing Development

MANNA, INC. is a nonprofit housing developer that has been creating "housing for people, not profit" since 1982. MANNA has built and renovated more than 100 single-family, cooperative, condominium, and transitional homes for homeless and lower-income families, frequently forming joint ventures with faith congregations and other nonprofit groups to acquire properties and to lower production costs.

MANNA's development team has been able to produce housing for prices below 50 per cent of the area's median sales price. Strategies employed to keep the cost of units down include the purchase of undeveloped property at below-market prices, raising operating capital from "social" investors at below-market rates, acquiring property via public programs or donations, and effectively using job cost accounting and other business management techniques.

In addition to property development, MANNA runs two human development programs: a Skillbuilders Training program to help unemployed citizens learn construction skills, and a Mutual Homebuyers Club to support lower income people preparing for home ownership. The organization is a faith-based enterprise itself, with a strong continuing tie to the Church of the Saviour, and "people development" is a major theme throughout its program.

MANNA supports itself primarily with the

revenue from housing sales. Operating capital is advanced by its Capstone Fund, a revolving fund capitalized with grants and low-interest loans, and commercial construction loans and a bank line of credit are used for rehabilitation work. MANNA also receives grants and donations to support its operations and has a small contract with the D.C. Office of Business and Economic Development.

MANNA has developed an extensive network of investors, subcontractors and partners to assist in its development work. More than 20 churches and faith congregations are included in this network; about 15 per cent of the \$400,000 currently invested in the Capstone Fund, for instance, has

come from three faith congregations. MANNA is interested in increasing the number of faith congregation partners in the months ahead, in order to expand its stock of unrenovated units in Shaw and Anacostia, of low-cost capital and volunteers to invest in property improvement, and of volunteers to help first-time buyers with successful homeownership. A new project, for instance, joins MANNA with two Episcopal churches—one based in Anacostia—

for the renovation of a former "crack house" in SE Washington D.C.; other partners include ConServe, Long and Foster Realty, the Community Foundation, and the D.C. housing agency.

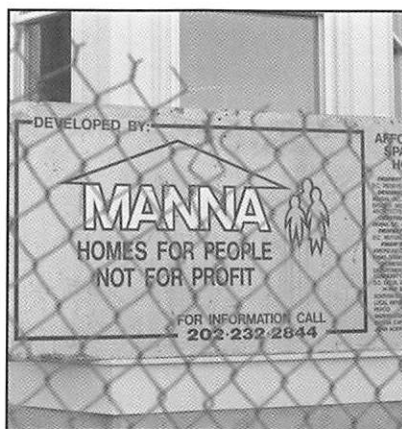
MANNA has experienced growth in its net worth while adding to the community's housing stock, proving that "housing for people, not profit" can bless all participants. The group promises to be an active player in low-cost housing in years ahead and offers church housing ministries a proven vehicle for conducting their affordable housing programs.

For more information contact:

Jim Dickerson, Co-Director

Kay Schultz, Co-Director

(202) 232-2844



RESOURCE PROFILES

PUBLIC

PROJECT HOMES

Fairfax County, Virginia

A Joint Public/Private Resettlement Venture

PROJECT HOMES, a cooperative venture between the Fairfax County Department of Human Development, churches, and nonprofit organizations, places families and individuals in subsidized apartments and provides them with social support. Originally modeled in 1988 after the Good Shepherd program, Project Homes has worked with 19 churches and nonprofits to help more than 50 people find and keep housing.

Private groups can participate in two ways. They resettle a family or individual from the Section 8 waiting list by subleasing an apartment to a tenant, collecting the tenant's rent plus funds provided under Section 8, and making up the difference between that amount and the actual rent. As an alternative, they sponsor a tenant without Section 8 assistance by directly subsidizing the rent. In either case the sponsor also makes a commitment to give the tenant social support for at least one year.

Participating churches contribute between \$200 and \$2,000 annually. This money goes toward rent subsidies, but there may also be start-up costs for security deposits, furnishings and appliances, and moving expenses. In addition, some churches help tenants with emergencies (medical bills, utilities, and car repairs) and make donations of furniture, clothing, household items, and food.

The kind and amount of social support a church gives varies with the need. Generally it consists of establishing a friendly and trusting relationship and helping clients improve budgeting, parenting,

and home management skills.

Project Homes helps churches at each stage of the process. It assesses their potential level of involvement, screens clients and matches them with churches, finds apartments, negotiates leases and Section 8 agreements, and provides tenants with the ongoing services of a professional social worker. Social workers also consult with the church support groups, and the Project Homes coordinator is available to answer administrative questions.

To introduce support groups to fundamental issues involved in providing social support, Project Homes offers frequent Parent Aide training workshops. Fairfax Community Ministries invites support groups to share their experiences and ideas with other church groups at regular meetings.

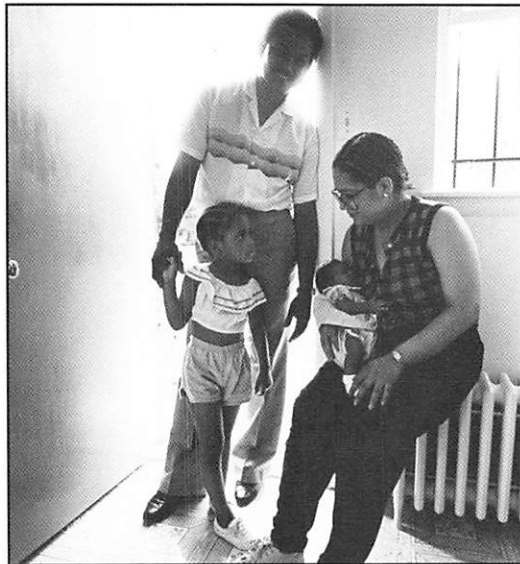
Fairfax Community Ministries, the Fairfax County Medical Society and Auxiliary, and the McKinney Foundation have all contributed money that Project Homes can use to supplement a church's commitment to its client. Churches unable to support a family by themselves can also participate through coalitions that pool

their resources. The Interfaith Housing Ministry, a corporation with ten member churches in the Burke/Springfield area, is a good example of such a coalition.

An effective combination of church and government resources is a frequent characteristic of successful affordable housing programs. Although Project Homes is not yet two years old, its accomplishments and continued expansion demonstrate that it is an important public vehicle for helping churches respond to the crisis of homelessness.

For more information contact:

Project Homes Coordinator
County of Fairfax
Department of Human Development
10301 Democracy Lane
Fairfax, VA 22030
(703) 246-7696



DENOMINATIONAL

ROBERT PIERRE JOHNSON HOUSING DEVELOPMENT CORPORATION

Arlington, Virginia

A Denominational Catalyst for Housing Action

THE ROBERT PIERRE JOHNSON Housing Development Corporation (RPJ) is a nonprofit corporation founded in 1977 by the National Capital Presbytery of the Presbyterian Church (USA). Its purpose is to develop and foster affordable housing for those of low and moderate income, the elderly and the handicapped in the metropolitan Washington, D.C. area.

RPJ's approach to housing is multi-faceted; they support a variety of diverse projects that provide transitional housing for the homeless, upgrade existing homes, and create and maintain low-income housing. Generally, RPJ seeks to involve Presbyterian congregations in housing projects that it or other groups initiate, but RPJ can also give technical assistance to projects initiated by Presbyterian churches.

Current RPJ projects reflect this diverse approach. RPJ and Presbyterian Urban Ministry run Andrew House, a transitional house for homeless men in Washington, and are planning to open a second house in Fairfax County, Virginia. In partnership with other community organizations, RPJ facilitates and coordinates Christmas in April, a one-day volunteer repair and rehabilitation program that upgrades homes in Fairfax and Arlington counties, Virginia and Montgomery County, Maryland. RPJ provides tenant organizing assistance for the Westminster Oaks Tenants Association in

Fairfax County. It also provides technical assistance and financial support in a joint venture with the Korean Community Service Center to develop 65 units of housing for the elderly in Silver Spring, Maryland. Together with Washington Innercity Self Help, the Downtown Cluster of Ministries and the New York Avenue Presbyterian Church Foundation, RPJ is working on a planning project to acquire and hold land in trust and make it accessible to lower income residents. Finally, a program called "May We Have Your Interest" makes the interest money earned on donated funds available to low-income, first-time home buyers to cover a portion of down payments and closing costs.

RPJ is governed by a 21-member board of directors most of whom are lay members of Presbyterian churches. Its staff is comprised of a full-time executive director and five part-time employees: a house coordinator, a tenant organizer, an office manager, and two project coordinators.

Financial backing comes from grants from National Capital Presbytery, the United Way, congregations, and foundations, as well as Community Development Block Grant money through Fairfax, Arlington, and

Montgomery counties.

A flexible approach to housing problems makes RPJ a good catalyst for congregational involvement. Churches or individuals can become active in ways that best suit their abilities, and the technical expertise of the RPJ board and staff can be an important resource for congregational housing efforts.



For more information contact:

Cynthia Clarke, Executive Director
Robert Pierre Johnson Housing
Development Corporation
2666 Military Road
Arlington, VA 22207
(703) 528-5606

G L O S S A R Y

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Affordable Housing-Related Terms Used in this Resource Book

Below-market rentals—Real property rental rates at less than the prevailing rates for comparable properties in a neighborhood or local market area.

Cash flow—The property owner's cash profit from rent revenues after payment of operating expenses, property taxes, and mortgage principal and interest.

CDBG—Community Development Block Grant; a government grant program for publicly approved physical development activity. The U.S. Department of Housing and Urban Development (HUD) provides CDBG funds annually to state governments, who then make grants and enter into contracts to fund local projects that conform with an approved development plan.

Construction loans—Debt financing used to pay for the construction, rehabilitation, or renovation needed to prepare a property for use. In the housing development field, construction loans are generally paid off with proceeds of mortgage loans or other forms of *permanent financing*.

In-kind—Applies to items or services of value, other than money, that are invested in a program or project; frequently assigned a dollar value for project funding or evaluation purposes.

FHA—Federal Housing Administration; an agency within HUD. FHA insures home mortgage loans made by institutional lenders and sets minimum standards for such homes.

HPAP—Home Purchase Assistance Program of Washington D.C. HPAP increases home ownership opportunities for lower-income D.C. citizens by providing interest-free loans of up to \$16,000 for down payment and closing costs. HPAP loans are secured by a second trust on the home.

Homesite—A D.C. area public-private partnership for the production of nonprofit-sponsored housing. Under the program, mortgage financing is provided by Fannie Mae-approved mortgage lenders who may then sell the mortgages to Fannie Mae in the secondary mortgage market. The D.C. government supplies second trust financing through its HPAP program. The nonprofit developer receives a fee of up to \$7500 under the program.

LAHDO—Land Acquisition for Housing Development Opportunities program. A D.C. government land trust program under which the government buys land for use in housing development and leases it to the developer at favorable rates. This purchase and leaseback arrangement, which can reduce the developer's monthly costs and taxes, is usually done in exchange for the set-aside of some portion of the development for lower-income households.

Linkage—An arrangement under which a private developer, seeking to obtain zoning variances for a real property

development project, agrees to give financial or other tangible benefits to a public-purpose group such as a shelter or non-profit developer.

Loan servicing—The management of a loan, such as a mortgage loan, by a lender. Servicing includes payment collection, monitoring of the borrower's financial condition, and —if necessary — refinancing or foreclosure.

McKinney Act—A framework of 18 homeless support programs administered through 7 primary Federal agencies that provide acquisition, rehabilitation, 30 days of shelter and food, and a wide variety of other support services for the homeless.

Market rent—The prevailing rental rate for comparable real property in a neighborhood or local housing market.

Permanent financing—Debt financing for the purchase of a house or other type of real property; usually secured by a mortgage.

Rehabilitation—The restoration to good condition of deteriorated structures.

Rental Rehabilitation Loan Program—A HUD-funded loan program that provides low-interest loans to property owners in qualified lower-income neighborhoods who renovate their properties for use by lower-income residents.

Repos—Housing units repossessed by HUD through foreclosure on HUD-insured mortgages. Repos are frequently made available at concessionary prices to local governments and nonprofits for affordable housing programs.

Section 8—A federal housing program that provides subsidies to private developers and landlords to augment reduced rent rates for qualified low-income tenants. Section 8 subsidies are usually paid directly to the landlord to supplement rents held to 30% of the tenant's income.

Seed money—Funds invested in the early stages of a project, usually in the form of grants, that are used to cover the "soft costs" associated with planning, feasibility studies, and surveys.

Sublease—An assignment by a lessee of his right to use a leased property to a third party. The original lessee continues to be liable under the original lease for the full term of that lease.

TAP—Tenant Assistance Program. A D.C. government program, modeled on the federal Section 8 program, that supplements tenant rent payments limited to a set percentage of income with a government subsidy so as to bring total payments to the landlord to approximate market rent levels.

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.....

Pat Goeldner
Jane Monahan

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.....

Carey Schneider

EDITORIAL ASSISTANCE

.....

Sarah Cooper
Dee Harris
Liz Stonaker

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.....

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